

December 31, 2003

Mr. Edgar D. Bailey, CHP, Chief
Radiologic Health Branch
Division of Food, Drug & Radiation Safety
California Department of Health Services
P.O. Box 994714 - Mail Stop 7610
Sacramento, CA 95899-7414

Dear Mr. Bailey:

I am responding to the December 24, 2003 email from Ms. Barbara Hamrick regarding fees. Specifically, she requested NRC's assistance in estimating the difference in costs to licensees under California's fees schedule versus NRC's fees under 10 CFR Part 171.

Enclosed is a chart which estimates the total FY 2003 annual fees that would have been paid by California licensees, as provided in your license categorization, if they were assumed to be under NRC's regulatory jurisdiction. Please note that licensees are billed at the rate for their class or category and may apply for designation as a small entity. NRC reviews small entity applications based on the criteria stated in 10 CFR 171.16. Businesses that qualify for small entity status are granted a fee reduction. For FY 2003, approximately 20 percent of the 4,900 NRC materials licensees qualified for small entity status. The approximate reduction in fee revenue due to small entities was \$4.5M for FY 2003. Nonprofit educational institutions are fee exempt, with the exception of byproduct, source or special nuclear material licenses that authorize human use, the provision of remunerated services to other persons, distribution, or activities under a Government agency contract. In these cases, the primary code will be for a Medical Institution Broadscope use and the secondary code will be for the Academic use.

The total amount of annual fees paid to the NRC from materials licensees, for FY 2003, was \$27.8M (excludes fuel facilities and uranium recovery). The total amount of fees paid to the NRC from fuel facilities and uranium recovery licensees, for FY 2003, was \$30.6M.

Please contact me at 301-415-3340 or Lloyd Bolling at 301-415-2327, if you have any further questions on this matter.

Sincerely,

/RA by Josephine M. Piccone for/
Paul H. Lohaus, Director
Office of State and Tribal Programs

Enclosure:
As stated

Edgar D. Bailey

December 31, 2003

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