



CHIEF FINANCIAL  
OFFICER

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

February 19, 2010

MEMORANDUM TO: Those on the Enclosed List

FROM: J. E. Dyer *J. E. Dyer*  
Chief Financial Officer

SUBJECT: REQUEST FOR COMMENTS ON MANAGEMENT DIRECTIVE  
4.6, LICENSE FEE MANAGEMENT PROGRAM

Provided for your review and comment is the revised Management Directive (MD) 4.6, License Fee Management Program. This revision reflects the change in law requirements for the amount of fees to be collected and the change in organization structure within the Office of the Chief Financial Officer.

Please provide your comments on MD 4.6, via email, by March 10, 2010, to Ms. Renu Suri of my staff at [Renu.Suri@nrc.gov](mailto:Renu.Suri@nrc.gov).

Enclosure:  
As stated

CONTACT: Renu Suri, OCFO/DOC/ARPB  
(301) 415-0161

MEMORANDUM TO THOSE ON THE ENCLOSED LIST DATED: February 19, 2010

SUBJECT: REQUEST FOR COMMENTS ON MANAGEMENT DIRECTIVE 4.6, LICENSE  
FEE MANAGEMENT PROGRAM

Edwin M. Hackett, Executive Director, Advisory Committee  
on Reactor Safeguards  
Stephen G. Burns, General Counsel  
Hubert T. Bell, Inspector General  
Charles L. Miller, Director, Office of Federal and State Materials  
and Environmental Management Programs  
Thomas M. Boyce, Director, Office of Information Services  
Michael R. Johnson, Director, Office of New Reactors  
  
Michael F. Weber, Director, Office of Nuclear Material Safety  
and Safeguards  
Eric J. Leeds, Director, Office of Nuclear Reactor Regulation  
  
Brian W. Sheron, Director, Office of Nuclear Regulatory Research  
  
James T. Wiggins, Director, Office of Nuclear Security  
and Incident Response  
Samuel J. Collins, Regional Administrator, Region I  
Luis A. Reyes, Regional Administrator, Region II  
Mark A. Satorius, Regional Administrator, Region III  
Elmo E. Collins, Jr., Regional Administrator, Region IV

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RidsNsirOd Resource (I)  
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RidsRgn4MailCenter Resource

**U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)**

<b>MD 4.6</b>	<b>LICENSE FEE MANAGEMENT PROGRAM</b>	<b>DT-XX-XX</b>
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<i>Volume 4:</i>	Financial Management
<i>Approved By:</i>	[Name and Title of Approving Official]
<i>Date Approved:</i>	Month X, 200X [Date of Final Approval]
<i>Expiration Date:</i>	Month X, 200X [Usually 5 years after Date Approved, Do Not Round to Nearest Work Day If Date Falls on Weekend or Holiday]
<i>Issuing Office:</i>	Office of the Chief Financial Officer
<i>Contact Name:</i>	Mona S. Williams 301-415-7389

**EXECUTIVE SUMMARY**

Directive 4.6 is being revised to reflect the change in law requirements for the amount of fees to be collected and to reflect the change in organization structure within the Office of the Chief Financial Officer.

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## **I. POLICY**

It is the policy of the U.S. Nuclear Regulatory Commission to assess fees as required by Title V of the Independent Offices Appropriations Act of 1952 (IOAA) and the Omnibus Budget Reconciliation Act of 1990 (OBRA-90), as amended, and to perform a biennial review of fees assessed as required by the Chief Financial Officers Act of 1990 (CFO Act).

## **II. OBJECTIVES**

- To establish regulations and develop procedures by which the NRC meets the statutory requirements to assess fees.
- To capture and produce financial information to support the assessment of fees and to address questions raised concerning these fees.
- To ensure that the fees assessed are current and the information used as the basis for the fees is complete, accurate, and verifiable.
- To ensure adherence to appropriate management controls over fee-billable costs.

## **III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY**

### **A. The Commission**

Approves substantive changes in policy and regulations for the assessment of fees.

### **B. Chief Financial Officer (CFO)**

1. Establishes, maintains, and oversees the implementation and interpretation of license fee policies and regulations.
2. Recommends substantive fee policy changes, including amendments to 10 CFR Parts 170 and 171, to the Commission.
3. Approves fee policy changes, other than substantive policy changes, including amendments to 10 CFR Parts 170 and 171.
4. Grants or denies requests for exemptions from the annual fees as imposed pursuant to OBRA-90 and as implemented through 10 CFR Part 171.
5. Grants or denies requests for exemptions from the fees imposed pursuant to the IOAA and as implemented through 10 CFR Part 170.
6. Issues orders suspending or revoking licenses for nonpayment of assessed fees.
7. Biennially reviews fees assessed pursuant to 10 CFR Part 170 to ensure that the fees reflect the costs incurred in providing the services as required by the CFO Act and in support of the CFO's responsibility to review all agency fees set forth in Management Directive (MD) 4.1, "Accounting Policy and Practices," Section (031)(c).

**C. Chief Information Officer (CIO)**

Provides technical guidance for the automated license fee systems in accordance with NRC policy for information technology.

**D. Office Directors and Regional Administrators**

1. Ensure that staff-hours are entered in the Human Resources Management System and certified according to established agency procedures and guidance and that contract costs are entered in the Technical Assistance Program Support System to support the assessment of fees under 10 CFR Part 170.
2. Ensure that systems data supporting fee billing are complete and accurate and provide a quarterly certification statement of contract cost data expended on application reviews and inspections to the Chief of Accounts Receivable/Payable Branch, Division of the Controller (DOC), Office of the Chief Financial Officer (OCFO).
3. Ensure that appropriate management controls over fee-billable costs are established and adhered to consistent with MD 4.4, "Management Controls."
4. Submit verified staff-hour data on a biennial basis to the CFO to support the determination of "flat" fees used for the assessment of materials license fees under the IOAA and 10 CFR Part 170.
5. Provide copies of applications that are subject to fees under 10 CFR Part 170 and the resulting licensing actions to DOC.
6. Provide support for evaluating 10 CFR Part 170 fee waiver requests.

**E. Director, Division of the Controller (DOC), OCFO**

1. Administers the assessment and collection of fees for the NRC.
2. Drafts user fee rules, including the fee schedules for 10 CFR Parts 170 and 171.
3. Administers the fiscal and accounting functions needed to support the assessment and collection of fees (see MD 4.1, Section (031)(a)).
4. Recommends fee policy changes to the CFO.
5. Provides the CFO with recommendations on requests for exemptions from the annual fees assessed under 10 CFR Part 171 and requests for waivers under 10 CFR Part 170.

**IV. GENERAL INFORMATION**

Pursuant to the IOAA, the NRC assesses license and inspection fees to recover the costs of providing individually identifiable services to specific applicants and holders of licenses and approvals. OBRA-90, as amended, directs the NRC to recover approximately 90 percent of the Commission's budget authority, less any amounts appropriated from the Nuclear Waste Fund, generic homeland security, and the General Fund in the current fiscal year. The CFO Act requires the NRC to perform a biennial review of license fees and other charges

imposed for services and things of value and to revise those fees and charges to reflect the costs incurred in providing those services and things of value. This review is mandated by MD 4.1.

## V. RECORDS SUPPORTING FEES ASSESSED

- A. The provisions of this directive apply to data that are used as a basis to determine the fees assessed under 10 CFR Parts 170 and 171.
- B. The CFO retains—
  - 1. Billing data for 6 years and 3 months in accordance with General Records Schedule (GRS) 6, item 1.a
  - 2. Electronic records from the fee system until the data are no longer needed in accordance with the NRC Comprehensive Description Schedule (NRCS) 2-10.3 (NUREG-0910)
- C. Program offices retain—
  - 1. Any certified hard copy cost data used to determine fees for 6 years and 3 months in accordance with NARA Approved Citation Number N1-431-00-7, Item 3.a (paper records prior to April 1, 2000), and Item 3.d (ADAMS records April 1, 2000, forward)
  - 2. Input records used to update staffing reporting systems until the information has been converted to an electronic medium and verified or until no longer needed to support the reconstruction of or serve as the backup to the master file, whichever is later, in accordance with GRS 20-2.a

## VI. APPLICABILITY

The policy and guidance in this directive apply to all NRC employees.

## VII. REFERENCES

### *Code of Federal Regulations—*

10 CFR Part 170, "Fees for Facilities, Materials, Import and Export Licenses and Other Regulatory Services Under the Atomic Energy Act of 1954, as Amended."

10 CFR Part 171, "Annual Fees for Reactor Licenses and Fuel Cycle Licenses and Materials Licenses, Including Holders of Certificates of Compliance, Registrations, and Quality Assurance Program Approvals and Government Agencies Licensed by the NRC."

General Records Schedule (GRS) 6, item 1.a.

Nuclear Regulatory Commission Documents

Management Directives—

2.2, "Capital Planning and Investment Control." (MD 2.2 was eliminated)

4.1, "Accounting Policy and Practices."

4.4, "Management Controls."

11.7, "NRC Procedures for Placement and Monitoring of Work With the U.S. Department of Energy (DOE)."

NUREG-0910, "NRC Comprehensive Records Disposition Schedule."

Office of Management and Budget Circular No. A-25, "User Charges," September 23, 1959, as amended.

***United States Code***

Chief Financial Officers Act of 1990 (31 U.S.C. 501-506, 901-903, 3512(a), 3515, 3521(e)-(h), and 9105-9106).

Independent Offices Appropriations Act of 1952, Title V (31 U.S.C. 9701).

The Omnibus Budget Reconciliation Act of 1990, as amended (42 U.S.C. 2214).

Public Laws 99-272, 100-203, 101-239, 101-508, as amended, 101-576, and 106-377.

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