FY 2014 U. S. Nuclear Regulatory Commission Small Entity Compliance Guide

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I. Background

The U.S. Nuclear Regulatory Commission (NRC) is committed to ensuring that all major rulemakings concerning fees afford small entities the ability to compete in the nuclear energy industry through the licensing and regulation efforts of the NRC. In order to minimize the financial impact on small entities as it relates to competition within the nuclear energy industry, the NRC has established definitions and size standards based on Small Business Administration regulations (Title 10 of the *Code of Federal Regulations* (10 CFR) 2.810) to determine if licensees qualify as small entities for reduced annual fees.

The purpose of this guide is to assist businesses, organizations, educational institutions and governmental jurisdictions in determining whether they qualify as small entities by providing the qualifying factors that make up the NRC's definition of "small entity," and the small entity fee listing.

II. Small Entity Definition

The NRC uses the following qualifying factors to define "small entity:"

(1) *Small business*--a for-profit concern that is a (a) concern that provides a service or a concern that is not engaged in manufacturing with average gross receipts of $7 million or less over its last 3 completed fiscal years; or (b) manufacturing concern with an average number of 500 or fewer employees based upon employment during each pay period for the preceding 12 calendar months;

(2) *Small organization*--a not-for-profit organization which is independently owned and operated and has annual gross receipts of $7 million or less;

(3) *Small governmental jurisdiction*--a government of a city, county, town, township, village, school district, or special district with a population of less than 50,000; and

(4) *Small educational institution*--an educational institution that is (a) supported by a qualifying small governmental jurisdiction; or (b) not State or publicly supported and has 500 or fewer employees.[1]

To further assist licensees in determining if they qualify as a small entity, the following guidelines are provided, which are based on the Small Business Administration's regulations (13 CFR Part 121). These standards were based on the Small Business Administration's most common receipts-based size standards and provide for business concerns that are manufacturing entities. The NRC uses size standards to reduce the impact of annual fees on small entities by establishing a licensee's eligibility to qualify for a maximum small entity fee.

(1) A small business concern is an independently owned and operated entity which is not considered dominant in its field of operations.

(2) The number of employees means the total number of employees in the parent company, any subsidiaries and/or affiliates, including both foreign and domestic locations (i.e., not solely the number of employees working for the licensee or conducting NRC-licensed activities for the company).

(3) Gross annual receipts include all revenue received or accrued from any source, including receipts of the parent company, any subsidiaries and/or affiliates, and account for both foreign and domestic locations. Receipts include all revenues from sales of products and

[1] An educational institution referred to in the size standards is an entity whose primary function is education, whose programs are accredited by a nationally recognized accrediting agency or association, who is legally authorized to provide a program of organized instruction or study, who provides an educational program for which it awards academic degrees, and whose educational programs are available to the public.

services, interest, rent, fees, and commissions from whatever sources derived (i.e., not solely receipts from NRC-licensed activities).

(4) A licensee who is a subsidiary of a large entity, including a foreign entity, does not qualify as a small entity.

III. Small Entity Fees

Licensees should review the table below to determine their small entity classification as defined by NRC regulations and their eligibility to pay the reduced fiscal year 2014 annual fees assessed under 10 CFR Part 171. The NRC has established two tiers of annual fees for those materials licensees who qualify as small entities under the NRC's size standards. The fees are as follows:

NRC Small Entity Classification	Maximum Annual Fee Per Licensed Category
Small Businesses Not Engaged in Manufacturing (Average gross receipts over last 3 completed fiscal years):	
$485,000 to $7 million	$2,800
Less than $485,000	$600
Small Not-For-Profit Organizations (Annual Gross Receipts):	
$485,000 to $7 million	$2,800
Less than $485,000	$600
Manufacturing entities that have an average of 500 employees or fewer:	
35 to 500 employees	$2,800
Fewer than 35 employees	$600
Small Governmental Jurisdictions (Including publicly supported educational institutions) (Population):	
20,000 to 50,000	$2,800
Fewer than 20,000	$600
Educational Institutions that are not State or Publicly Supported, and have 500 Employees or Fewer	
35 to 500 employees	$2,800
Fewer than 35 employees	$600

Licensees who meet the NRC's size standards for a small entity must submit a completed NRC Form 526, Certification of Small Entity Status for the Purposes of Annual Fees Imposed under 10 CFR Part 171, to qualify for the reduced annual fee. This form can be accessed on the NRC's Web site at http://www.nrc.gov/reading-rm/doc-collections/forms/ by selecting NRC Form 526. For licensees who cannot access the NRC's Web site, NRC Form 526 may be obtained by calling 301-415-1481 or writing to the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Office of the Chief Financial Officer.