OFFICE OF THE

CHAIRMAN

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555

October 19, 1979

The Honorable James T. McIntyre, Director Office of Management and Budget Washington, D. C. 20503

Dear Mr. McIntyre:

On August 14, 1979 the Nuclear Regulatory Commission submitted a stateme on the Commission actions being taken with regard to the recommendations made by the Comptroller General of the United States in a report entitled, "Higher Penalties Could Deter Violations of Nuclear Regulations." The Commission's response to the GAO report inadvertently omitted the following comments which should be included as part of the Commission's comments to the GAO report of February 16, 1979.

The NRC has recently appointed a new Director for the Office of Inspection and Enforcement who is currently reasses and Z's enforcement organization, policies, and procedures. In addition, the Commission has requested Congressional authorization to increase its civil penalty authority from \$5,000 per event to \$100,000 per event. In anticipation of positive Congressional action on this request, the staff is presently preparing procedures for Commission approval to implement the higher civil penalty authority. This staff effort is expected to be completed by January of 1980.

As a result of these reviews, we anticipate additional changes in our enforcement policy. In addition, we believe these actions are responsive to the concerns raised by GAO in their report on higher civil penalty authority."

Commissioners Bradford and Gilinsky believe that the detailed response to the GAO recommendations should have awaited completion of the above actions.

Sincerely

Joseph M. Hendrie

Chairman

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