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APR 24 1980

Mr. Thomas F. Snyder
A95 Coordinator
Executive Office of the President
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Snyder:

Sheldon Schwartz, the NRC A-95 Liaison Officer, is on temporary detail to the Federal Emergency Management Agency. As the alternate A-95 contact, I will respond to your 4/8/80 memo for comments on the A-95 Improvement Program.

The Nuclear Regulatory Commission (NRC) applied for a permanent exception to Part I, since it does not provide financial domestic assistance to projects or activities which have impact on State, areawide, local or community development. Presently, the only granting authority NRC has is for FY80 development of State regulatory programs which will implement the provisions of the Uranium Mill Tailings Radiation Control Act of 1978. A copy of which is attached. We have no experience in those parts of the Circular which deal with grants for community development and therefore have no comments on those aspects of improvement program.

Part II, No. 4 "Federal Licenses and Permits" applies to NRC. The steps we have taken to ensure compliance are embodied in 10 CFR 51. Also, whenever a draft or final environmental impact statement is issued, it is noticed in the Federal Register and sent to the State Clearinghouse(s).

As for training, all personnel in the Office of State Programs are aware of A-95. The Office of Nuclear Reactor Regulation to whom responsibility falls under Part 51 to send documents to State Clearinghouses and collect the comments, fully instructs and monitors its personnel to assure that the established procedures are followed.

NRC is committed to the A-95 program and is willing to assist OMB in the development of an improvement program, where it is appropriate.

Sincerely,

THIS DOCUMENT CONTAINS
POOR QUALITY PAGES

Elizabeth McCarthy
State Relations Assistant
Office of State Programs

Enclosure: UMTRCA

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DATE	4/24/80	4/24/80			

Reply - Action

OFFICE OF MANAGEMENT AND BUDGET
ROUTE SLIP

TO <u>Agency A-95 Liaison Officers</u>	Take necessary action	<input type="checkbox"/>
	Approval or signature	<input type="checkbox"/>
	Comment	<input type="checkbox"/>
	Prepare reply	<input type="checkbox"/>
	Discuss with me	<input type="checkbox"/>
	For your information	<input type="checkbox"/>
	See remarks below	<input type="checkbox"/>
FROM <u>Thomas F. Snyder</u> <u>A-95 Coordinator</u>		DATE <u>4/8/80</u>

REMARKS re: A-95 Improvement Program

Attached is an outline of an ongoing A-95 improvement program which we propose to formally announce shortly by memorandum to heads of agencies from Jim McIntyre. The A-95 improvement effort will be part of an overall commitment to upgrade Federal assistance management which the President will announce. The A-95 effort is expected to be on the agenda for the next meeting of the Assistant Secretaries' Management Group.

We are in the process of obtaining a reaction to the improvement plan from the Federal Regional Councils (FRC's) and clearinghouses via ad hoc review groups set up by the FRC's in implementation of item 1 of the outline.

We would appreciate your reaction to the program within the next two weeks. We will hold a meeting with Federal agency A-95 coordinators shortly after Mr. McIntyre's announcement.

Outline of A-95 Improvement Program

Situation overview - Recent A-95 studies, as reinforced by feedback at the November 1979 national A-95 conference, indicate that the concepts embodied by A-95 are essential, but that its potential is unfulfilled. Although recent progress in improving A-95 was noted, it is generally agreed that OMB must discipline Federal agency compliance and take the lead in clarifying the clearinghouse role in reviewing specific Federal program/projects. Funding for clearinghouse operations is a growing concern. Strong intergovernmental participation is desired in shaping and implementing A-95 improvements, and a stronger OMB commitment and an aggressive lead role is anticipated.

Improvement action areas. Seven parallel and interrelated activities will be pursued. These are:

1. Setting up and using a participatory mode mechanism. To establish a mechanism to assure the timely participation of members of the A-95 community in the development, implementation and monitoring of the Improvement Program.
2. Upgrading the Federal commitment. To work with Federal agencies to assure that their commitment level is raised sufficiently to enable OMB to execute the Improvement Program.
3. Upgrading program-specific guidance. To establish a systematic incremental review of all major programs to assure that adequate guidelines are available at the individual program level for applicants, clearinghouses and Federal agencies.
4. Revision of A-95 Circular. To strengthen A-95 by incorporating appropriate modifications to existing policies upon which more definitive Federal agency, clearinghouse and applicant procedures will be based.
5. Training and indoctrination. To establish a continuing program that assures a high degree of understanding by all affected A-95 interests, including Federal agencies and clearinghouses.
6. A-95 funding. To develop a program to assure that all clearinghouses have access to as many funding options as can be made available within the broad framework of existing sources of funds.
7. Effectiveness surveillance. To be able to gauge the effectiveness of the Improvement Program and to take actions to further enhance A-95 implementation.

Outline for each of the seven activities.

1. Setting up and using a participatory mode mechanisms

Purpose. Consistent with the desires of the clearinghouses and SLIGS, there needs to be a mechanism to assure the timely participation by representative members of the A-95 community

in the development, implementation and monitoring of the ongoing A-95 improvement program.

Strategy. A mechanism needs to be set up which can provide quick reaction to proposed action plans as we develop the several components of the improvement program. It must be designed to elicit the full participation of SLIGS and representative clearinghouses to assure that we have fulfilled our commitment to a participatory mode, not only in the development phase but also in the implementation and monitoring on a follow-on basis. It must be used in conjunction with disclosure of proposed rules in the Federal Register.

Approach. Ad hoc standing committees will be established in each of the ten Federal Regions, under the leadership of the FRC's A-95 coordinator (A-95er). Composition in each State will be as mutually agreed upon by the FRC's A-95er and the State clearinghouse. SLIGS may recommend specific memberships. The main criteria are the willingness to provide a quick, substantive response and an assurance that, in the aggregate, the members are truly representative of the A-95 community at large.

A Washington-level committee will also be established, comprised of SLIGS, Federal agencies, and OMB, under OMB/IGA leadership. (Other interests may be added as appropriate).

FRC role. - FRC would be the focal point for setting up an adequate mechanism in the field. This includes working with each State clearinghouse to establish a proper mix of ad hoc participants at State and areawide levels and also with the Federal field community of interests (the latter in coordination as appropriate with the Federal agencies involved).

- Disseminate information on the improvement program as requested by OMB to the ad hoc group.
- Be the focal point for field feedback. Analyze and comment upon feedback as may be appropriate.
- Perform own analyses, comments and recommendations from own perspective and provide to OMB.
- Convene such meetings as may be appropriate to facilitate proper analyses and feedback.

2. Upgrading Federal resource commitment

Purpose. To assure that the level of commitment of Federal resources is increased sufficiently to enable OMB/IGA to effectively execute its A-95 improvement program.

Strategy. We need to create an awareness in OMB top management that the proposed program is soundly conceived and represents at least the minimum essential approach to fulfill OMB's commitment expressed at the conference. We need to show how this program is a high-priority integral part of OMB's overall Federal management improvement program. The Federal agencies must understand that this is a high-visibility priority effort which could impact upon their management effectiveness ratings.

Approach. OMB/IGA will brief top management on the outline of the improvement program and work with other OMB components to identify it as an integral part of the broader management improvement program. Options will be explored with top management as to the best way to bring this priority effort forcefully to the attention of the Federal agencies.

FRC role. - Once the OMB direction is given to the Federal agencies, the FRC can assist in assuring that the Federal agencies have expeditiously so advised their field component members of the FRC and that the responsiveness of the members is consistent with the OMB intent.

- FRC will assure proper participation by member agencies on the FRC's A-95 task force as appropriate.

3. Upgrading of program-specific guidance.

Purpose. To assure that adequate guidelines are available, at individual program level, for all affected parties, including Federal agencies, clearinghouses and applicants.

Strategy. Provide a systematic, incremental review of all major programs, plus any others that are responsible for an inordinate amount of criticism from clearinghouses. Provide also a more positive mechanism to assure that Federal agencies develop and obtain timely OMB approval of proposed new program procedures and modifications to existing procedures. Devise ways to assure that individual program offices contribute heavily in the development of procedures that are consistent with the way the program must operate. Tie these developing guidelines to the A-95 Circular proposed revisions, e.g., emphasis on planning involvement, earliest meaningful NOI's, instructions to applicants, etc.

Approach. OMB/IGA will select priority areas of review and will work with Federal agencies' A-95ers and FRCs to see that they are implemented. Where appropriate the newly-developed models for CSA and DOL/CETA will be used for guidance. Upcoming summer programs will have a priority across all affected agencies. Pending incorporation into the revised A-95 circular, interim guidelines will be promulgated to assure timely OMB clearance of proposed program procedures developed for new or revised programs.

ERC role.- As may be requested by OMB or Federal agencies, participate in upgrading program-specific guidance.

- Use ad hoc group for review of proposed procedures as developed.
- Assist in orientation and training on program-specific guidance where appropriate and feasible.

4. Revision of A-95 Circular.

Purpose. To strengthen A-95 by incorporating appropriate modifications to existing policies upon which more definitive Federal agency, applicant and clearinghouse procedures will be based.

Strategy. Expand and shift the emphasis of A-95 to place more emphasis on providing clearinghouses an opportunity to become involved in annual program planning at local and State levels. Strengthen the ties between Parts III and IV of A-95 with Part I and strengthen Part IV to require better areawide coordination of the various local areawide functional plans imposed by Federal agencies. Put more teeth into Federal Agencies' compliance with Part I clearinghouse review requirements and Federal feedback on comments and on final action taken.

Approach. Based upon what we already have identified as major areas for revision, (as above) we need to settle quickly upon an approach as to how to go with the various planning improvement strategies - what the limits realistically are. Then we need to see what this suggests in restructuring and establishing more positive linkages across Parts I, III and IV. Once we have accomplished this, we can proceed with shaping all the other modifications, most of which address disciplining the assurance of compliance with review requirements and the Federal feedback.

5. Training and Indoctrination.

Purpose. To assure a high degree of understanding of A-95 policies and procedures by all affected A-95 interests that can be translated into an effective implementation of A-95's purpose.

Strategy. To instill in affected A-95 interests a recognition of the need for them to mount and sustain effective A-95 training and indoctrination programs and for them to expect that OMB and the ERCs will continue to aggressively monitor the effectiveness of their efforts. We need to devise approaches that will deal with generalists as well as specialists across the total spectrum of A-95 interests. We need to remind the SLIGS and the clearinghouses that they also have roles to play in developing and implementing such programs. We must address that training which is keyed to the revised A-95 circular as well as that which can be done on an

interim basis, in both general and program-specific terms.

Approach. We first will have to set up the mechanisms for the several types of training. Much of the training can be done on a regional basis to the degree that FRCs' can effectively carry out this responsibility and can perhaps obtain not for profit organization services to lay out a generalized training program and one more specifically attuned to each State's needs. We would involve the States in areawide clearinghouse training, and areawides in COG member indoctrination. In Washington we would work through each Federal agency's A-95 monitor to establish a training program for Federal headquarters people and also for program-specific training. OMB would take an aggressive lead role to assure that all elements of the program are set in place and operating. OMB would probably have to set up the generalized portion of the headquarters program, but taking advantage of the generalized materials some agencies already have. Timing is also important in that we should do some training ahead of the revision of the circular.

FRC role.- Assist OMB and Federal agencies to identify a realistic training program approach, as outlined above.

- Develop generalized Federal community training programs as may be appropriate, in concert with Federal agencies' own programs.
- Work with States to assure development of State/areawide/COG training and indoctrination plans and programs.
- Provide training assistance where feasible.
- Monitor effectiveness of training programs and assure that the program is sustained.

6. A-95 Funding

Purpose. To assure that all clearinghouses have access to as many funding options as can be made available within existing levels of funding.

Strategy. To have clearinghouses work within the broad framework of existing sources of funds, including State and local financing and have them make their own tradeoffs as to the relative importance of the A-95 clearinghouse function in their broader total planning and development role. Under no circumstances do we wish to create a climate where the level of paperwork shuffling can become a justification for automatic reimbursement from any central A-95 fund in the Federal Government. We need to encourage the clearinghouses to make a more effective use of all viable sources. This will necessitate a further review by OMB of possible sources,

including the various planning funds of Federal agencies which ought to be available for crosscutting A-95 reviews, such as urban impact and rural impact analyses which the respective Federal agencies have urged upon these clearinghouses.

Approach. Within the existing planning fund sources we will push for a more specific flexibility as to their use for A-95 reviews. We will also further explore, via the 74-4 indirect cost route, the options that are available to both State and areawides and ask the clearinghouses to explore these possibilities. We will also continue to search for examples of clearinghouses which are already solving the money problem and then disseminate this directly, via SLIGS and via training programs. We need to get the help of OMB/BRD on 74-4 and internally in IGA, to work with the many Federal planning agencies to clarify the flexibility of the various planning funds.

FRC role. - Explore options, in concert with OMB, and work more definitively with Federal field agencies and State and areawide clearinghouses to test their viability and implementation.

- Continue to identify methods already being successfully used within the region, wherein other clearinghouses may be able to adopt them.

7. Effectiveness Surveillance.

Purpose. To be able to gauge the effectiveness of the implementation of the various components of the A-95 improvement program and to take actions to further enhance the implementation of A-95.

Strategy. We should generally rely upon the clearinghouses themselves to gauge the effectiveness of A-95. However, OMB must take the lead for developing and maintaining some of the criteria and mechanisms to be used. The FRC A-95ers should also play a key role in looking for trends and suggesting corrective actions. We should also rely on the SLIGS and, where possible, State clearinghouses to monitor the effectiveness of clearinghouse operations. We do not want to be primarily in a "reactive" role of having to respond to SLIGS for individual case by case problem reviews. We need to show evidence that OMB is indeed playing a responsible role in assessing effectiveness of its own circular.

Approach. We need to concentrate first on re-energizing the FRC A-95ers to monitor substantive comments from clearinghouses, beyond just the negative ones. The FRC A-95ers should also institute a sample review program on Federal feedback on project actions, particularly for areawide clearinghouses. Beyond these interim steps we need to develop a more comprehensive system of surveillance,

with roles not only for FRCs but for Federal agencies, clearing-houses themselves and perhaps SLIGS. Each of the various components of the A-95 improvement program must have effectiveness surveillance considerations put into it.

FRC role. (As indicated under "Approach"). This is a continuing review and assessment role, with recommendations to Federal agencies and to OMB as appropriate.

Time scheduling of improvement program. Generally, the developmental and initial implementation of nearly all seven activities will be conducted during the remainder of Calendar Year 1980. The final implementation of the revised Circular A-95 will probably not take effect until early 1981, due to extensive and time consuming coordination requirements. For the training and indoctrination and the effectiveness surveillance activities in particular, there will be a continuing sustained follow through effort.