



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

JUL 05 1989

MEMORANDUM FOR: Ronald M. Scroggins
Controller

FROM: Robert M. Bernero, Director
Office of Nuclear Material Safety
and Safeguards

SUBJECT: MATERIALS LICENSE INSPECTION FEES (MLIF)

This memorandum responds to your request for further NMSS examination of materials license inspection fees (MLIF) following our discussions of my June 14, 1989 memorandum on the same subject.

The NMSS staff has reconsidered the MLIF in view of the large increase in the hourly rates charged for staff time and an increase in the estimated inspection staff time per inspection. Considering both the large increases and the impracticability of relating Regional Information Tracking System (RITS) data uniquely to MLIF categories, NMSS now recommends no change in staff time from the existing rule, at this time. Thus, the increase in MLIF should be based solely upon the increase in the hourly charge for staff time.

The NMSS staff plans to explore means to unify the various categories used to classify materials licenses (fee categories, RITS inspection categories and licensing program codes). Unification of categories should provide a firmer basis for supporting any changes in staff time for the MLIF categories in the future.

In addition, I urge that a serious effort be made before amending fees again next year to determine the feasibility of charging a single fixed fee covering licensing and inspections when issuing a license. This fixed fee could be paid up front or prorated and billed on an annual basis over the term of the license. This would ensure that the material licensees are aware of all charges at the time an application is submitted. In addition, this change could greatly reduce the administrative burden associated with fee collection, and the Regions will be able to more quickly process and complete simple licensing amendments.

A handwritten signature in cursive script, appearing to read "Robert M. Bernero".

Robert M. Bernero, Director
Office of Nuclear Material Safety
and Safeguards