



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

CFO

January 10, 1994

The Honorable John C. Danforth
United States Senate
Washington, DC 20510-2502

Dear Senator Danforth:

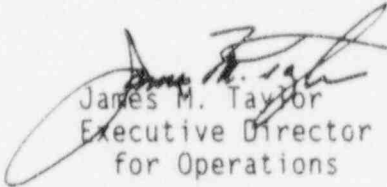
I am responding to your letter of December 8, 1993, written on behalf of your constituent, The University of Missouri, Rolla, regarding NRC fees.

In accordance with the requirements of OBRA-90 to recover 100 percent of our budget authority, the NRC published a final rule on July 20, 1993, establishing annual fee schedules for its licensees for fiscal year 1993. The final rule also eliminated a generic exemption from annual fees previously applicable to nonprofit educational institutions. The Commission's need to revisit the generic exemption for nonprofit educational institutions was occasioned by a March 14, 1993, decision of the U.S. Court of Appeals for the District of Columbia Circuit (*Allied Signal, Inc. v. U.S. Nuclear Regulatory Commission and the United States of America*, No. 91-1407 and Consolidated Cases) which forced the Commission to acknowledge the weakness of, and abandon, the passthrough argument formerly made on behalf of these institutions.

Following the publication of the final rule, the Commission received a petition from Cornell and eleven other universities for reconsideration of the final rule and requesting reinstatement of the exemption for nonprofit educational institutions. The Commission has decided to grant the petition to reconsider this matter and has issued a proposed rule to amend 10 CFR Part 171 to restore the generic exemption from annual fees for nonprofit educational institutions. Comments on the proposed rule are being evaluated and a final rule is expected to be issued within the next few months.

As you requested, this reply is provided in duplicate and the correspondence is being returned.

Sincerely,


James M. Taylor
Executive Director
for Operations

Enclosures:
As stated

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