



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

April 15, 1994

Mark S. Coleman, Executive Director  
State of Oklahoma  
Department of Environmental Quality  
1000 Northeast Tenth Street  
Oklahoma City, OK 73117-1212

Dear Mr. Coleman:

This is in response to your January 3, 1994 letter in which you requested that the U. S. Nuclear Regulatory Commission (NRC) consider the possibility of providing your Department with a grant of funds for the purpose of preparing for the assumption of a Section 274b agreement and the initial implementation of the program.

The Commission policy has been to assist States interested in entering into Section 274b agreements by providing the State with all the necessary information on becoming an Agreement State. This assistance includes meeting with the appropriate State officials and providing model State acts for enabling and regulatory legislation. NRC also provides assistance for State participation, including travel and per diem expenses, in NRC-sponsored training courses. However, it has been a consistent and long standing Commission policy not to provide seed money grants to support preparations of an Agreement State program.

The Commission is reluctant to change this policy now. Currently, NRC is statutorily required to recover approximately 100 percent of its budget authority by assessing fees to NRC applicants and licensees. One result of this is that some licensees (e.g., non-Agreement State licensees) pay for NRC activities that do not benefit them (e.g., NRC's oversight of the Agreement State program). Providing seed money to States would exacerbate this inequity because the seed money would need to be recovered by higher fees incurred on these same licensees. If Congress agrees to remove funding of Agreement State activities from license fees as was recommended in the NRC staff Fee Policy Review (SECY-93-342, attached), then it may be appropriate to reconsider the seed money proposal and request specific funds in the budget.

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Mark S. Coleman

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Although we will not be able to respond favorably to your request for funds, we are pleased to know of Oklahoma's interest in becoming an Agreement State. We are committed to providing you with the necessary information on the Agreement State program and look forward to working with you and your staff.

Sincerely,

*Richard L. Bangart*  
Richard L. Bangart, Director  
Office of State Programs

Attachment:  
As stated

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Sincerely,

Richard L. Bangart, Director  
Office of State Programs

Attachment:  
As stated

Distribution:

DIR RF  
RBangart  
JTaylor  
HThompson  
JFunches  
Oklahoma File  
Seed Money File  
SDroggitis  
Plohaus

DCD (SP01) PDR (YES  NO )  
SECY (SECY-94-088)  
EDO RF

OFC	OSP:SLIR	OSP:DD	OSP:R/B				
NME	SDroggitis:gd	Plohaus	RBangart				
DTE	04/15/94	04/18/94	04/15/94				

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