

MR. MYERS:

By reference to various indicators, the NRC budget estimates demonstrate that the safety performance of the nuclear industry is steadily improving. NRC acknowledges that it is not possible to isolate a causal relationship or a specific set of factors to directly link NRC oversight to licensee performance. The agency, however, cites the industry trends to reinforce the notion that NRC is accomplishing its mission of protecting the public health and safety. What would be the decrease in safety, if any, if the agency's appropriation were decreased by 10, or 20, or 30 percent?

CHAIRMAN SELIN:

The NRC has taken a number of steps over the past few years that are clearly in line with the Administration's and Congress' objectives to improve efficiency by reducing unnecessary regulatory burden and improving NRC's internal processes. These improvements relate to reactor regulations, nuclear material regulations, and management of the NRC. Because of these improvements, our fiscal year 1996 budget request is essentially held at the FY 1995 level, and is 3 percent less than inflation would justify.

The NRC is currently evaluating actions that could be taken to further streamline agency operations. The results of our evaluations will be reflected in our future budget requests. Although the Commission expects to achieve further increases in efficiency, it is not realistic to assume that such future efficiencies would permit the drastic reductions hypothesized in your question. While we cannot quantify the decrease in safety which would result from such reductions, they would certainly have an adverse impact on our ability to ensure the public health and safety. The NRC continues to meet the requirement of the Omnibus Budget Reconciliation Act of 1990 to recover approximately 100 percent of the agency's new budget authority, less the amount appropriated from the Nuclear Waste Fund. As a result, the NRC is not a net contributor to the deficit.

Question 1/Myers/OC
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