



JAN 20 1982

A 52

MEMORANDUM FOR: Robert S. Brown, Jr., Assistant to the Director
and Chief, Program Support Branch, NMSS

FROM: Richard E. Cunningham, Director
Division of Fuel Cycle and Material Safety

SUBJECT: PROPOSED LICENSE FEE REVISION (NMSS 82-05)

In Dan Donoghue's memorandum of January 4, 1982 to Mr. Davis, he requested charts showing the allocation of FY 1982 professional direct and all other staff years for the Material Licensing and Material Certification and Procedures Branches, together and separately. These charts are attached.

In Bill Miller's memorandum of January 8, 1982 to you, he requested information on hours expended per review for each license fee category. The chart he submitted has been revised in the following ways:

1. There are no environmental or safeguards reviews for materials licenses.
2. There is no contractual assistance associated with the issuance of materials licenses.

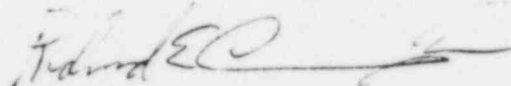
The minimum and maximum time figures are estimates by the licensing staff. The averages, for the most part, are based on cases completed and hours charged during FY81. In those instances where no data were available, the midpoint between the minimum and maximum estimated time figures was arbitrarily chosen.

Currently, amendments to sealed source and device evaluations, fee categories 9A and 9B, are fee exempt. Since reviews for these amendment requests are identical to other materials license amendment requests, for which fees are charged, consideration should be given to making sealed source and device amendments a fee item.

It should be noted that the FY81 labor rate for a new license is about half of the labor rate used in FY77. The FY81 labor rate for a renewal is approximately twice the labor rate used in FY77. The labor rates for an amendment are almost the same.

JAN 20 1982

It is interesting to note that by multiplying the average time per type of case times the estimated number of cases for FY82, the required staff year figure is 93 percent of the budget estimate for review time. If these average cost estimates are used, theoretically, we would recover almost all of our costs. Therefore, I recommend that the fees for materials licenses be based on the averages computed.



Richard E. Cunningham, Director
Division of Fuel Cycle and
Material Safety

Enclosure: As stated

Materials Licensing Decision Unit

FY82

Professional support
(per Elise 1/22/82)

	<u>Professional Direct SY</u>	<u>All Other SY</u>	<u>Total</u>
Licensing Case Reviews	34.3	4.5	38.8 *
Licensing Site Visists	1.0	0.1	1.1
Agreement States Assistance	1.0	0.1	1.1
Periodic Review of Regulations	1.0	0.5	1.5
Development of Regulatory Guides	1.2	0.7	1.9
Advisory Committee on the Medical Uses of Isotopes	1.3	0.1	1.4
	<hr/>	<hr/>	<hr/>
TOTALS	39.8	6.0	45.8 *

* includes 0.5 SY stay-in-school which is not included in FTE SY shown in NMSS OP Plan (per Elise 1/22/82).

Materials Licensing Branch

	<u>FY82</u>		
	<u>Professional Direct SY</u>	<u>All Other SY</u>	<u>Total</u>
Licensing Case Reviews*	12.8	3.7	16.5
Licensing Assistance Section	12.1	---	12.1
Licensing Site Visists	1.0	0.1	1.1
Agreement States Assistance	1.0	0.1	1.1
Periodic Review of Regulations	---	---	---
Development of Regulatory Guides	---	---	---
Advisory Committee on the Medical Uses of Isotopes	1.3	0.1	1.4
Adminstrative Responsibilities*	4.5	---	4.5
	<hr/>	<hr/>	<hr/>
TOTALS	32.7	4.0	36.7

* From the FY83 budget, the license reviewers spent 74% of their time licensing and 26% of their time in administrative responsibilities (MD&S codes). This branch has 30.8 SY budgeted for licensing reviews, of which 13.5 SY is for the Licensing Assistance Section. (12.1 SY devoted to this branch's activities and 1.4 SY devoted to MCP branch.) This leaves 17.3 SY.
 $17.3 \times 74\% = 12.8$ $17.3 \times 26\% = 4.5$

Material Certification and Procedures Branch -

FY82

	<u>Professional Direct SY</u>	<u>All Other SY</u>	<u>Total</u>
Licensing Case Reviews*	2.6	0.8	3.4
Licensing Assistance Section	1.4	---	1.4
Licensing Site Visists	---	---	---
Agreement States Assistance	---	---	---
Periodic Review of Regulations	1.0	0.5	1.5
Development of Regulatory Guides	1.2	0.7	1.9
Advisory Committee on the Medical Uses of Isotopes	---	---	---
Adminstrative Responsibilities*	0.9	---	0.9
	<hr/>	<hr/>	<hr/>
TOTALS	7.1	2.0	9.1

* From the FY81 PPSAS, this branch charged a total of 17,571 hours, of which 4,664.5 hours were in administrative responsibilities (MD&S codes), (26.5%). This branch has 3.5 SY budgeted for licensing reviews.
 $3.5 \times 73.5\% = 2.6 \text{ SY}$
 $3.5 \times 26.5\% = 0.9 \text{ SY}$

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

PRESENT FEE CATEGORIES

1. SPECIAL NUCLEAR MATERIAL

I. Licenses for possession and use of special nuclear material in sealed sources contained in devices used in industrial measuring systems.

New License
Renewal
Amendments

	<u>Low</u>	<u>High</u>	<u>Average</u>
New License	0.5	8.0	4.0
Renewal	0.5	8.0	1.0
Amendments	0.5	8.0	1.0

J. All other special nuclear material licenses, except licenses authorizing special nuclear material in unsealed form in combination that would constitute a critical quantity as defined in § 150.11 of Part 150 which shall pay the same rate as Category 1A and special nuclear material for use in power generation which shall pay the fee in Category 10.

New License
Renewal
Amendments

	<u>Low</u>	<u>High</u>	<u>Average</u>
New License	0.5	24.0	1.0
Renewal	0.5	24.0	12.0
Amendments	0.5	24.0	12.0

2. SOURCE MATERIAL

D. All other source material licenses (Does not include milling, in-situ leaching heap leaching, refining uranium mill concentrates to UF₆ ore buying stations and ion exchange facilities.)

New License
Renewal
Amendments

	<u>Low</u>	<u>High</u>	<u>Average</u>
New License	0.5	40.0	29.7
Renewal	0.5	40.0	9.8
Amendments	0.5	40.0	3.5

CASES

STAFF HOURS

0	0
9	9.0
35	35.0
3	3.0
6	72.0
0	0

5	148.5
19	186.2
64	224.0

1/ Professional Staff Hours

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

SAFETY REVIEW
STAFF HOURS

PRESENT FEE CATEGORIES

3. BYPRODUCT MATERIAL		<u>Low</u>	<u>High</u>	<u>Average</u>	<u>CASES</u>	<u>STAFF HOURS</u>
A. Licenses for possession and use of byproduct material issued pursuant to Parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution.	New License	2.0	40.0	4.8	21	100.8
	Renewal	2.0	40.0	3.6	31	111.6
	Amendment	0.5	40.0	1.3	125	162.5
B. Licenses issued pursuant to §§ 32.72, 32.73 and 32.74 of this chapter authorizing the processing or manufacturing and distribution of radio-pharmaceuticals, generators or reagents kits, and sources and devices, containing byproduct material.	New License	20.0	48.0	31.7	6	190.2
	Renewal	8.0	30.0	13.0	10	130.0
	Amendment	0.5	30.0	2.9	80	232.0
C. Licenses for byproduct material issued pursuant to Part 34 of this chapter for industrial radiography operations at one location.	New License	3.0	32.0	24.2	5	121.0
	Renewal	3.0	32.0	14.7	39	573.3
	Amendment	0.5	32.0	2.6	74	192.4
D. Licenses for byproduct material issued pursuant to Part 34 of this chapter for industrial radiography operations at more than one location.	New License	4.0	40.0	11.0	21	231.0
	Renewal	4.0	40.0	19.9	51	1014.9
	Amendment	0.5	40.0	4.1	118	483.8

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

SAFETY REVIEW
STAFF HOURS

PRESENT FEE CATEGORIES

3. BYPRODUCT MATERIAL - CON'T

		<u>Low</u>	<u>High</u>	<u>Average</u>	<u>CASES</u>	<u>STAFF HOURS</u>
E. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials where the source is not removed from its shield (self-shielded units).	New License	1.0	8.0	4.6	8	36.8
	Renewal	1.0	8.0	1.8	29	52.2
	Amendment	0.5	8.0	1.1	33	36.3
F. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials where the source is exposed for irradiation purposes.	New License	4.0	40.0	36.2	2	72.4
	Renewal	4.0	32.0	7.4	13	96.2
	Amendment	0.5	32.0	2.1	26	54.6
G. Licenses issued pursuant to Subpart B of Part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material to persons generally licensed under Parts 31 and 35 of this chapter, except specific licenses authorizing redistribution of items which have been manufactured or imported under a specific license and licensed by the Commission	New License	2.0	24.0	16.7	3	50.1
	Renewal	2.0	24.0	7.9	10	79.0
	Amendment	0.5	24.0	7.3	17	124.1

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

SAFETY REVIEW
STAFF HOURS

PRESENT FEE CATEGORIES

Low

High

Average

CASES

STAFF HOURS

3. BYPRODUCT MATERIAL - CON'T

- G. for distribution to persons generally licensed under Parts 31 or 35 of this chapter.
- H. Licenses issued pursuant to Subpart A of Part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material to persons exempt from the licensing requirements of Part 30 of this chapter, except (1) §§ 32.11 and 32.18 of this chapter, (2) specific licenses authorizing redistribution of items and quantities which have been manufactured or imported under a specific license and licensed by the Commission for distribution to persons exempt from the licensing requirements of Part 30 of this chapter, and (3) specific licenses which authorize distribution of timepieces, hands and dials.

New License

Renewal

Amendment

2.0

24.0

6.3

6

37.8

2.0

24.0

5.2

12

62.4

0.5

24.0

2.1

30

63.0

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

PRESENT FEE CATEGORIES

3. BYPRODUCT MATERIAL - CON'T

		<u>SAFETY REVIEW</u> <u>STAFF HOURS</u>				
		<u>Low</u>	<u>High</u>	<u>Average</u>	<u>CASES</u>	<u>STAFF HOURS</u>
I. Licenses issued pursuant to § 32.18 of this chapter to distribute quantities of byproduct material to persons exempt from the licensing requirements of Part 30 of this chapter.	New License	2.0	32.0	25.3	1	25.3
	Renewal	2.0	24.0	3.3	9	29.7
	Amendment	0.5	24.0	12.0	4	48.0
J. Licenses issued pursuant to § 32.14 of this chapter to distribute timepieces, hands and dials, containing hydrogen 3 or promethium 147 to persons exempt from the licensing requirements of Part 30 of this chapter.	New License	2.0	24.0	8.1	2	16.2
	Renewal	2.0	24.0	9.0	2	18.0
	Amendment	0.5	24.0	0.8	11	8.8
K. Licenses for possession and use of byproduct material for research and development, except those licenses covered by Categories 3A or 3B, and licenses covered by Categories 7B or 7C authorizing medical research.	New License	0.5	40.0	13.1	36	471.6
	Renewal	0.5	40.0	12.1	43	520.3
	Amendment	0.5	40.0	1.9	283	537.7

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

PRESENT FEE CATEGORIES

3. BYPRODUCT MATERIAL - CON'T

L. All other specific byproduct material licenses, except those in Categories 4A through 10B.

New License
Renewal
Amendment

<u>SAFETY REVIEW STAFF HOURS</u>		
<u>Low</u>	<u>High</u>	<u>Average</u>
0.5	40.0	4.6
0.5	40.0	6.6
0.5	24.0	2.5

CASES

STAFF HOURS

449	2065.4
240	1584.0
957	2392.5

4. WASTE DISPOSAL

B. Waste disposal licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of packaging the material. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material.

New License
Renewal
Amendment

2.0	40.0	19.0
2.0	40.0	19.0
0.5	40.0	20.0

0	0
0	0
0	0

C. Waste disposal licenses specifically authorizing the receipt of prepackaged waste byproduct material, source material, or special nuclear material from other persons. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material.

New License
Renewal
Amendment

2.0	40.0	24.3
2.0	40.0	10.0
0.5	40.0	0.8

2	48.6
1	10.0
5	4.0

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

PRESENT FEE CATEGORIES

		SAFETY REVIEW STAFF HOURS				
		Low	High	Average	CASES	STAFF HOURS
5. WELL LOGGING AND WELL SURVEYS AND TRACER STUDIES						
A. Licenses for possession and use of specific nuclear material and/or byproduct material for well logging, well surveys, and tracer studies.	New License	2.0	32.0	6.4	31	198.4
	Renewal	2.0	32.0	26.6	8	212.8
	Amendment	0.5	32.0	4.1	62	254.2
6. NUCLEAR LAUNDRIES						
A. Licenses for commercial collection and laundry of items contaminated with byproduct material, source material, or special nuclear material.	New License	4.0	32.0	18.0	1	18.0
	Renewal	4.0	32.0	2.0	1	2.0
	Amendment	0.5	32.0	1.0	3	3.0
7. HUMAN USE OF BYPRODUCT MATERIAL, SOURCE MATERIAL, OR SPECIAL NUCLEAR MATERIAL						
A. Licenses issued pursuant to Parts 30, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices.	New License	4.0	40.0	6.6	24	158.4
	Renewal	2.0	40.0	5.6	84	453.6
	Amendment	0.5	40.0	4.3	324	1393.2

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

ESCHT FEE CATEGORIES

HUMAN USE OF BYPRODUCT MATERIAL, SOURCE MATERIAL, OR SPECIAL NUCLEAR MATERIAL

B. Licenses issued pursuant to Parts 30, 40, and 70 of this chapter to medical institutions, or to two or more physicians on a single license, for use of byproduct source material, except licenses in Category 7A.

C. Licenses issued pursuant to Parts 30, 40, and 70 of this chapter to an individual physician for human use of byproduct material, source material, or special nuclear material, except licenses in Category 7A.

CIVIL DEFENSE

A. Licenses for possession and use of byproduct material, source material, or special nuclear material for civil defense activities.

	SAFETY REVIEW STAFF HOURS			CASES	STAFF HOURS
	Low	High	Average		
New License	4.0	24.0	11.2	36	403.2
Renewal	2.0	24.0	11.3	199	2248.7
Amendment	0.5	24.0	3.5	1265	4427.5
New License	4.0	24.0	6.0	29	174.0
Renewal	2.0	24.0	9.6	17	163.2
Amendment	0.5	24.0	2.2	95	209.0
New License	1.0	16.0	8.6	2	17.2
Renewal	1.0	16.0	4.3	8	34.4
Amendment	0.5	16.0	1.9	18	34.2

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

PROJECTED FY 82 RESOURCE COMMITMENT

PRESENT FEE CATEGORIES

9. DEVICE, PRODUCT, OR SEALED
SOURCE SAFETY EVALUATION

- A. Safety evaluation of devices or products containing byproduct material, source material, or special nuclear material, except reactor fuel devices and devices or products distributed to general licensees or persons exempt from the requirements for a license pursuant to Parts 30, 40, and 70 of this chapter.

- B. Safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material except reactor fuel and sealed sources distributed to general licensees or persons exempt from the requirements for a license pursuant to Parts 30, 40, and 70 of this chapter.

Evaluation

Evaluation

SAFETY REVIEW
STAFF HOURS

Low High Average

CASES

STAFF HOURS

8.0 80.0 19.5

8.0 80.0 19.5

Fee categories 9A & 9B

19.5

100

1952.0

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

INFORMATION FOR LICENSE FEES

PROFESSIONAL PROCESSING TIME

SAFETY REVIEW
STAFF HOURS

<u>Low</u>	<u>High</u>	<u>Average</u>
8.0	40.0	24.0
8.0	40.0	24.0
0.5	40.0	0.6

PRESENT FEE CATEGORIES

POWER SOURCE

- A. Licenses for the manufacture and distribution of encapsulated byproduct material or special nuclear material for use in power generation, except reactor fuel.
- New License
Renewal
Amendment

PROJECTED FY 82 RESOURCE COMMITMENT

<u>CASES</u>	<u>STAFF HOURS</u>
0	0
0	0
5	3.0



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

A 53

120/82

MEMO FOR THE FILE: PPB 2.6
FROM: Claudia A. Seelig
SUBJECT: FEE VS. NON-FEE WORK

On January 12, 1982, a meeting was held to discuss the background of the fee system. The following people attended:

J. Davis	D. Smith
D. Mausshardt	T. Sherr
R. S. Brown, Jr.	V. Miller
R. Cunningham	L. Walker
R. Burnett	G. McCorkle
R. Browning	J. Evans
D. Donoghue, ADM	C. Seelig
B. Miller, LFMB	R. Scarano
J. Holloway, LFMB	B. Evans
D. Chapell	L. Suarez
E. Heumann	R. Fonner, ELD

Bob Fonner explained the legal basis for collecting license fees. He explained that there is currently a proposed fee schedule with no ceilings for any fee categories except radioisotopes licensing. In an effort to recover more fees, the Chairman has requested that existing exemptions be reviewed. The Commission has also requested a review to determine the impact of the actual cost method for radioisotopes fees.

Bill Miller explained that direct time chargeable to a fee case includes reviewers only; branch chiefs, licensing assistants, secretaries, etc. are covered as an indirect cost added to each fee.

Mr. Davis asked if there was any way he could attempt to recover more fees. Mr. Fonner indicated they are reviewing/proposing the legal ways they are aware of, such as removing the ceiling that exists in the current fee schedule and examining current Commission guidelines regarding exemptions. Mr. Fonner said there is little leeway for the staff to collect more fees by following current Commission guidelines.

~~831314~~

Claudia A. Seelig
Claudia A. Seelig

Charlotte

Jan 12, 1982

* License Fee Revisioninitiated in 1968. recovered $< 1\%$

1972 - inspection costs

? 1976 - then safeguards fees

1981 - all fees (except materials) revised. Comm. especially interest in reactors, fuel fabricators

Supreme Court decision:

Fees can not recover all costs of agency.
base fees on cost to recipient

D.C. Circuit - track hours expended on review of application

revision = 1981

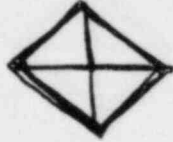
x ceiling is removed

x exemptions have not changed

ACTUAL { Direct - Reviewer only
 Indirect - Branch Chief, secy - on up thru Controller
 (PDA) rents, light, paper

no charges for other federal agency applications
 due to exclusion in Congressional Act

EXEMPTIONS - currently,
academic institutions
other govt agencies (state, municipal) ^{has been} - custom to exempt
federal agency exemption is statutory



A55

1/8/82

SY LABOR RATES USED IN BUDGET SUBMISSION (HOURS)

NewAmendmentsRenewalsFY80 + FY81
FY83

.0037 (6.7)

.0019 (3.4)

.0059 (10.6)

FY82

.0045 (8.1)

.0025 (4.5)

.0060 (10.8)

FY81

.0048 (8.6)

.00185 (3.3)

.0065 (11.7)

FY80

.0075 (13.5)

.0015 (2.7)

.0033 (5.9)

FY79

.0062 (11.2)

.0015 (2.7)

.0027 (4.9)

FY81

- 1/7/82

ORIGINAL BUDGET

	<u>N</u>	<u>A</u>	<u>R</u>
Factors	.0080	.0019	.0097
Cases Projected	670	3300	850
SY Required	5.4	6.3	8.3

Actual EOY Expend

Factors	.005351	.002468	.007887
Cases Completed	637	3670	844
SY Charged	2.452 (3.40828)	6.517 (9.0586)	4.789 (6.4611)

(these factors were computed by taking actual hrs from PPSAS and dividing by 1800 hrs/sy to arrive at SY. Then cases completed was divided by SY charged to arrive at UNADJUSTED factors. This U-factor was then multiplied by 1.39 (the factor used during the preparation of the FY81 budget labor rate factors to account for MD+S time) to arrive at a staffyear factor allowing for MD+S.

[U-factors were: N = .00384929; A = .00177584; R = .00567417]

FY80

1/7/82

ORIGINAL BUDGET

	<u>N</u>	<u>A</u>	<u>R</u>
Factors	.0075	.0015	.0033
Cases Projected	900	3900	2450
SY Required	6.8	5.9	7.8

ACTUAL EXPENDITURES

Factors	.004868	.003007	.007627
Cases Completed	721	3008	885
SY Charged	2.6 (3.51)	6.7 (9.045)	5.0 (6.75)

arbitrarily used 1.35 as MDTs multiplier