

February 2, 1999

COMMISSION VOTING RECORD

DECISION ITEM: SECY-98-281
TITLE: RESIDENT INSPECTOR COMPENSATION POLICY

The Commission (with all Commissioners agreeing) approved the subject paper as recorded in the [Staff Requirements Memorandum \(SRM\)](#) of February 2, 1999.

This Record contains a summary of voting on this matter together with the individual vote sheets, views and comments of the Commissioners, and the SRM of February 2, 1999.

Annette L. Vietti-Cook
Secretary of the Commission

Attachments: 1. Voting Summary
2. Commissioner Vote Sheets
3. Final SRM

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield
OGC
EDO
PDR
DCS

VOTING SUMMARY - SECY-98-281

RECORDED VOTES

	APRVD	DISAPRVD	ABSTAIN	NOT PARTICIP	COMMENTS	DATE
CHRM. JACKSON	X					12/23/98
COMR. DICUS	X				X	12/28/98
COMR. DIAZ	X				X	12/22/98
COMR. McGAFFIGAN	X				X	1/5/98
COMR. MERRIFIELD	X				X	12/16/98

COMMENT RESOLUTION

In their vote sheets, all Commissioners approved the staff's recommendation and some provided additional comments. Subsequently, the comments of the Commission were incorporated into the guidance to staff as reflected in the SRM issued on February 2, 1999.

Commissioner Comments on SECY-98-281

Commissioner Diaz' comments on SECY-98-281

I approve the restoration of the 3-step differential to the resident inspector pay scale to restore the financial incentive that has been eroded by the introduction of locality pay. As we are all quite aware, the agency will continue to face tight budgets. However, given the important role that resident inspectors play in implementing the NRC's regulatory mission, and the need for a well-qualified cadre of inspectors to implement the upcoming changes in the inspection, enforcement, and assessment programs, I believe that the revised pay scale should take effect in FY 2000. Therefore, in developing the FY 2001 budget, the staff should propose appropriate adjustments to the FY 2000 budget to provide the \$900K that will be needed to fund this initiative. In light of the recent policy change extending the resident inspector maximum tour length to 7 years from 5 years, I also approve the extension of the "save pay" provision to 6 years from 4 years.

Commissioner McGaffigan's comments on SECY-98-281

In general, I support the recommendations contained in SECY-98-281. However, because of the importance of resident inspectors, particularly in light of the proposed changes to the NRC inspection and assessment programs which will further increase Agency reliance on the resident inspector corps, I am of the view that we should not wait until FY 2001 to implement the full locality pay provision discussed in the SECY. The discussed option to extend full locality pay to the resident inspectors for the second half of FY 1999 and for FY 2000 should be initiated now, rather than simply explored as one of many reprogramming options. Also, the staff should utilize the full scope and authority available to the Agency in providing retention bonuses to residents on a case-by-case basis. The head of OPM recently stated that agencies should use the authority they have to retain the personnel they feel they need. The NRC has used retention bonuses only on rare occasions for particularly valuable executives; we should re-examine the rationale for our limited use of this authority with a view toward using it more broadly to ensure the resident corps retains its best and brightest.

I agree with the staff in SECY-98-281 that the previous very high turnover and the many new replacements could well be major factors in the small improvement in resident inspector demographics reported for the current FY through May 1998 (SECY-98-152 and SECY-98-183). I am far from convinced that the problems in attracting and retaining a very high quality resident inspector corps have been resolved, and the restoration of the original pay differential is an important element in assuring a strong and stable resident inspector corps.

Also, as I discussed in my vote on SECY-98-152, I believe each Region should have several "super senior" residents at the GG-15 grade level. This is not strictly within the scope of the current SECY and I won't repeat my entire earlier vote here, but I want to reiterate that the critical role of the senior resident inspector and the significant scope and growing demands of that position, particularly at very challenging sites, argue for the highest qualified and experienced individuals. Offering such a promotion possibility would provide Regional Administrators another tool to fill the most demanding and potentially stressful resident positions with the best possible candidates. Even the use of temporary promotions to GG-15 has potential to be of value.

Commissioner Merrifield's Comments On SECY-98-281

I agree with the staff's characterization that the resident inspector staff is central to the accomplishment of the agency's mission. Retention of highly qualified and experienced resident inspector personnel is particularly critical at this time given the current initiatives to rebaseline the assessment, inspection, and enforcement processes. Thus, it is imperative that the agency provide sufficient incentives to recruit and retain high-quality employees for the resident inspector program. While I am strongly committed to fiscal conservatism and encourage the staff to continuously seek out ways to minimize the costs associated with effectively carrying out the agency's mission, allowing resident inspector incentives to erode in light of budgetary constraints amounts to false economics. The hidden costs to the public, licensees, and the NRC associated with less-qualified or inexperienced resident inspectors, while difficult to quantify, likely far exceeds the costs associated with the staff's compensation proposal. Furthermore, I believe that the additional costs associated with the staff's proposed compensation plan are likely offset by agency savings that can be realized in the areas of recruiting, training, moving expenses, and relocation bonuses as a result of a lower resident inspector attrition rate.

Therefore, I approve the staff's plans for addressing the resident inspector compensation issue. I encourage the staff to explore reprogramming options during the upcoming budget cycle which might allow for implementation in FY 2000. I request that the staff brief the Commission regarding the effects of its proposed resident inspector compensation plan on attrition once it has adequate information and experience to make such an assessment.