MEMORANDUM TO:L. Joseph Callan Executive Director for OperationsFROM:John C. Hoyle, Secretary /s/SUBJECT:STAFF REQUIREMENTS: SECY-97-254 - PILOT PROGRAM WITH THE STATE OF ARIZONA

In SECY-97-254, the staff sought authorization to publish a draft agreement between the NRC and the State of Arizona to initiate a pilot program that would have allowed the State to conduct inspections on behalf of the NRC at certain Federal materials licensees in Arizona. The Commission has not authorized the initiation of the pilot program with the State of Arizona in view of budgetary considerations and other factors.

CC:	Chairman Jackson
	Commissioner Dicus
	Commissioner Diaz
	Commissioner McGaffigan
	OGC
	CIO
	OCA
	OPA
	OIG
	Office Directors, Regions, ACRS, ACNW, ASLBP (by E-Mail)
	PDR
	DCS

SECY NOTE: THIS SRM, SECY-97-254, AND THE COMMISSION VOTING RECORD CONTAINING THE VOTE SHEETS OF ALL COMMISSIONERS WILL BE MADE PUBLICLY AVAILABLE 5 WORKING DAYS FROM THE DATE OF THIS SRM.