

March 3, 1998

MEMORANDUM L. Joseph Callan
TO: Executive Director for Operations
FROM: John C. Hoyle, Secretary /s/
SUBJECT: STAFF REQUIREMENTS: SECY-98-011 - POTENTIAL FUNDING ASSISTANCE FOR AGREEMENT STATES FOR CLOSURE OF FORMERLY TERMINATED NRC LICENSES

The Commission approved the staff's approach of monitoring the Agreement State's progress in closing out the case files associated with sites located in Agreement States that were formerly licensed by the NRC or its predecessor, and collecting additional information from individual Agreement States regarding the associated costs and potential funding mechanisms to provide Federal assistance. In implementing this monitoring and information collection program, however, the staff should also undertake the following additional measures:

- inquire of the States during the further consultation on funding mechanisms proposed in SECY 98-011 whether the initial site surveys and assessments to determine the scope of the problem are themselves so significantly expensive and difficult as to preclude the States from undertaking even this preliminary step in the cleanup process, in the absence of other funds or some other form of resource assistance from the NRC.
- ensure that the file review being conducted by the Oak Ridge National Laboratory is completed in March 1998, that the files are subsequently transferred to the States promptly, and that milestones are established on when NRC needs to receive information from Agreement States. The staff should make an initial recommendation on whether NRC should request a general fund appropriation, to cover the associated Agreement State costs for those States providing a response consistent with the FY 2000 budget cycle.
- consider the merits of an alternative approach to providing financial assistance to individual Agreement States by developing a narrowly focused amendment to the Atomic Energy Act that would allow the Agreement States to return their regulatory authority and responsibility for formerly licensed sites to the NRC if the licenses in question had been terminated before the State became an Agreement State and permit the NRC to receive appropriations off the fee base to cover the costs associated with closure of these sites.

(EDO)

(SECY Suspend: 9/1/98)

The staff should also continue to inform the Commission of any difficulties experienced by the NRC or the Agreement States in attempting to require further remediation of these sites.

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

SECY NOTE: This SRM, SECY 98-011, and the related Voting Record will be made publicly available 5 working days after the date of the final SRM.