



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

January 11, 2019

Ms. Christine McDonald
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Ms. McDonald:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its budget authority for the fiscal year through fees; in fiscal year (FY) 2019, amounts appropriated for the development of regulatory infrastructure for advanced reactor technologies, international activities, waste incidental to reprocessing, generic homeland security activities, and Inspector General services for the Defense Nuclear Facilities Safety Board are excluded from this fee-recovery requirement.

The FY 2019 proposed fee rule is based on the Public Law 155-244—Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 2019. The total budget enacted for the NRC in FY 2019 is approximately \$911.0 million. The total budget authority used in the proposed fee rule represents a decrease of approximately \$11.0 million from FY 2018. By law, the NRC is required to collect all fees by September 30, 2019.

In order to comply with the law, the Commission is proposing to amend its fee regulations under 10 CFR Parts 170 and 171. The NRC is required to recover approximately \$780.8 million for FY 2019. After accounting for billing and collection adjustments, the total amount to be billed as fees is approximately \$781.9 million. The amendments to 10 CFR Part 170 would revise the professional hourly rate and flat license application fees charged to licensees and applicants. The hourly rate used to assess 10 CFR Part 170 fees would increase to \$278, previously \$275 for FY 2018.

The amendments to 10 CFR Part 171 would establish the amount of the FY 2019 annual fees to be assessed to NRC licensees to recover costs not recovered through 10 CFR Part 170 fees. Compared to FY 2018, the FY 2019 rebaselined annual fees will decrease for spent fuel storage/reactor decommissioning, research and test reactors, fuel facilities, some materials users, the Department of Energy (DOE) Uranium Mill Tailings Radiation Control Act Program, remain constant for some uranium recovery licensees, and increase for operating reactors, some materials users, and DOE's transportation activities. Additionally, the NRC proposes two policy changes: (1) to small materials users fee categories for location of use that will more accurately reflect the cost of services provided by the NRC, and (2) the elimination of a fee category 2. A. (5)—Licenses that authorize the possession of source material related to removal of contaminants (source material) from drinking water.

Enclosed is a copy of the proposed rule which is being transmitted to the *Federal Register* for publication. The notice provides for a 30-day public comment period.

Sincerely,

/RA/

Stephanie M. Coffin, Director
Division of Planning and Budget
Office of the Chief Financial Officer

Enclosure:
Federal Register, Notice

cc: David G. Hester, OMB

SUBJECT: FISCAL YEAR 2019 PROPOSED FEE RULE LETTER TO THE OFFICE OF
MANAGEMENT AND BUDGET, DATED, January 11, 2019

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