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

April 25, 1997

The Honorable James M. Talent, Chairman  
Committee on Small Business  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

I am responding to your letter of April 1, 1997, requesting information on NRC's implementation of Sections 213 and 223 of the Small Business Regulatory Enforcement Fairness Act (SBREFA).

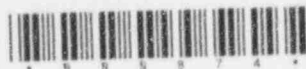
Section 213 requires the establishment of a program to respond to small entity inquiries for guidance on regulatory compliance and interpretations of NRC regulations. The NRC has established a special toll-free telephone number for small entities to contact the NRC for interpretations or guidance concerning NRC regulatory requirements. The Rules Review and Directives Branch, Office of Administration, is the central contact for these inquiries and routes them to the appropriate NRC office for a written response.

The NRC is taking steps to ensure that both the NRC staff and small entities are aware of this program. The NRC has prepared a final rule that will amend 10 CFR 2.810 to add language describing the program and the availability of the toll-free phone number for inquiries. The rule will be immediately effective upon publication in the Federal Register, which should occur no later than May 31, 1997. When the rule is published, the NRC will issue a press release announcing the program and take the following actions:

- (1) Prepare and distribute an announcement to all NRC Staff, the NRC Public Document Room, and all NRC Local Public Document Rooms announcing the establishment of the toll-free number.
- (2) Include as part of the NRC Home Page on the Internet a notice describing the service and how to contact NRC.
- (3) Add a section to the "Citizen's Guide to U.S. Nuclear Regulatory Commission Information" (NUREG/BR-0010) that describes the program and explains how small entities can make requests to the agency.
- (4) Insert a statement on how to get additional information on the program in the next issuance of the "NRC Information Digest" (NUREG-1350).

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Section 223 requires the establishment of a program or policy providing for waivers or reductions of civil penalties for violations of statutory or regulatory requirements by small entities.

The Commission's Enforcement Policy (NUREG-1600), which is publicly available, provides that:

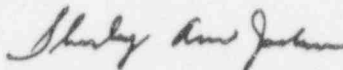
- (1) under the current system, smaller licensees generally pay smaller civil penalties, because the agency's graduated civil penalty structure takes into account differences in the size of the licensee, the licensee's ability to pay, and the safety risk of the violation involved;
- (2) civil penalties are issued only for significant violations;
- (3) civil penalties are normally waived for licensees who identify their own violations and take prompt and comprehensive corrective action; and
- (4) civil penalties are normally assessed for willful violations, particularly poor performance, overexposures, loss of radioactive material, and very significant violations.

Further, the Policy makes clear that in determining the amount of the civil penalty, financial hardship can be considered. It is not the NRC's intent that the economic impact of a civil penalty be so severe that it puts a licensee out of business or adversely affects the licensee's ability to conduct licensed activities safely. In such cases, penalties may be reduced or the licensee may be permitted to pay the penalty over time.

Therefore, we believe that the NRC is in compliance with Section 223.

The person at the NRC responsible for compliance with SBREFA is David L. Meyer, Chief, Rules Review and Directives Branch, Office of Administration. Mr. Meyer may be reached on (301) 415-7162.

Sincerely,



Shirley Ann Jackson