State of Kansas

Department of Health and Environment

Notice of Hearing on Proposed

Administrative Regulations

The Kansas Department of Health and Environment, Division of Public Health, Bureau of Community Health Systems, will conduct a public hearing at 10:00 a.m. Wednesday, January 16, 2019, in the Flint Hills Conference Room, third floor, Curtis State Office Building, 1000 SW Jackson, Topeka, to consider the adoption of proposed amended regulations K.A.R. 28-35-146a and 28-35-147a regarding radiation control fees.

A summary of the proposed regulations and the estimated economic impact follows:

Summary of Regulations:

K.A.R. 28-35-146a. Determination of hourly rate and full cost; fee payments. The hourly rate charged for any service or activity that does not have an established fee specified in K.A.R. 28-35-147a will rise from \$55.00 to \$79.00.

K.A.R. 28-35-147a. Schedule of fees. Annual fees for radioactive materials licensing and x-ray registration will rise slightly for all categories to be equal to the maximum allowed by Kansas statute, while remaining lower than the corresponding fees charged by the U.S. Nuclear Regulatory Commission and other nearby states. The regulation also provides that, as specified by Kansas statute, an additional fee of 50 percent is charged for licenses with noncontiguous sites.

Economic Impact:

Cost to the agency: There is no added cost to the agency associated with the amendments to these regulations.

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Cost to the public and regulated community: The increase is estimated to be approximately \$111,000 for all radioactive materials licensees and \$303,235 for all x-ray registrations. The fees charged by the Radiation Control Program are reasonable and comparable to fees charged to maintain radiation control programs in other states and are significantly less than fees charged by the U.S. Nuclear Regulatory Commission. These fees may be passed on to consumers.

Cost to other governmental agencies or units: There are two state universities and two state agencies that will have increased costs for their radioactive materials license. Also, eight city governments that possess a radioactive materials license for portable gauges for civil construction will see a small increase in their license fee.

The time period between the publication of this notice and the scheduled hearing constitutes a 60-day public comment period for the purpose of receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to 5:00 p.m. on the day of the hearing to Kimberly Steves, Kansas Department of Health and Environment, Bureau of Community Health Systems, Radiation Control Program, 1000 SW Jackson, Suite 330, Topeka, KS 66612-1365, by email to Kim.Steves@ks.gov, or by fax to 785-559-4251. During the hearing, all interested parties will be given a reasonable opportunity to present their views orally on the proposed regulations as well as an opportunity to submit their written comments. In order to give each individual an opportunity to present their views, it may be necessary for the hearing officer to request that each presenter limit an oral presentation to an appropriate time frame.

Complete copies of the proposed regulations and the corresponding economic impact statement may be obtained from the Radiation Control Program website, at

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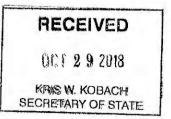
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http://www.kdheks.gov/radiation/radpubnotice.html or by contacting Kimberly Steves at Kim.Steves@ks.gov, 785-296-1560, or fax 785-559-4251. Questions pertaining to the proposed regulations should be directed to Kimberly Steves at the contact information above.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and the economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Kimberly Steves.

Jeff Andersen

Secretary



28-35-146a. Determination of hourly rate and full cost; fee payments. (a) Hourly rate. If the department charges a fee to provide the following and there is no established fee category in K.A.R. 28-35-147a, the hourly rate charged shall be \$55.00 \$79.00:

(1) Any radiation protection service that the department provides to a nonlicensee or nonregistrant; and

(2) any radiation control program activity.

(b) Full cost. For each full-cost category specified in K.A.R. 28-35-147a(d)(1), the initial application fee, annual fee, and amendment fees shall be paid in accordance with the following requirements:

(1) Each applicant shall pay a nonrefundable initial application fee of \$500,000 to cover the actual costs incurred by the department to review the initial license application.

(A) If the initial application fee exceeds the actual cost of reviewing the initial application, the overage shall be credited to the annual fee for the following fiscal year.

(B) If the initial application fee is less than the actual cost of reviewing the initial application, the difference shall be due within 30 days of receipt of written notification from the secretary. No license shall be issued until all required fees are paid in full.

(2) Each licensee shall pay a nonrefundable annual fee to cover the actual cost incurred by the department to service the license and any amendments to the license.

(A) If the annual fee exceeds the actual cost of servicing the license and any amendments, the overage shall be credited to the annual fee for the following fiscal year.

(B) If the annual fee paid for any fiscal year is less than the actual cost to the department, the difference shall be due within 30 days of receipt of written notification from the secretary.

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(c) Fee payments. Each fee payment specified in subsection (b) shall be made in accordance with the following requirements:

(1) Each initial application for which a license fee is required shall be accompanied by the full amount of the fee. Any application for which a fee is not received may be returned to the applicant.

(2) On or before June 1 of the fiscal year preceding the fiscal year for which the annual fee applies, the licensee shall be notified by the secretary of the amount of the annual fee.

(3) Each fee payment shall be submitted within 30 days of receipt of written notification from the secretary of the annual fee, or by July 1, whichever date is earlier.

(4) Each fee payment shall be made by check, draft, money order, or electronic fund transfer payable to the department. (Authorized by and implementing K.S.A. <u>2018 Supp.</u> 48-1606, as amended by L. 2004, ch. 106, § 1; effective Oct. 8, 2004; amended

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28-35-147a. Schedule of fees. Each fee for an initial license application or <u>initial</u> registration shall be equal to the sum of the annual fees for all applicable categories. Each annual fee for a license or registration shall be equal to the sum of the annual fees for all applicable categories. The following fees shall be paid as specified in K.A.R. 28-35-145 and 28-35-146:

(a) Special nuclear material.

(1) Licenses for possession and use of special nuclear material in sealed sources contained in devices used in industrial measuring systems.

Annual fee

(2) Any licenses not otherwise specified in this regulation for possession and use of special nuclear material, except licenses authorizing special nuclear material in unsealed form in combination that would constitute a critical mass.

Annual fee

\$1,885.00 \$2,250.00

\$305.00 \$365.00

\$4,745.00 \$5,700.00

\$815.00 \$950.00

(b) Source material.

(1) Licenses that authorize only the possession, use, or installation of source material for shielding.

Annual fee

(2) All other source material licenses not otherwise specified in this regulation.

Annual fee

(c) Radioactive material or by-product material.

(1) Licenses of broad scope for possession and use of radioactive material or by-product

material issued for processing or manufacturing items containing radioactive material or by-

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product material for commercial distribution.

Annual fee

\$9,100.00 \$10,900.00

(2) Other licenses for possession and use of radioactive <u>material</u> or by-product material issued for processing or manufacturing items containing radioactive <u>material</u> or by-product material for commercial distribution.

Annual fee

\$2,795.00 \$3,300.00

(3) Licenses authorizing the processing or manufacturing and the distribution or redistribution of radiopharmaceuticals, generators, reagent kits, sources, or devices containing radioactive <u>material</u> or by-product material. This category shall include the possession and use of source material for shielding when included on the same license.

Annual fee

\$4,550.00 \$5,450.00

(4) Licenses <u>and approvals</u> authorizing distribution or redistribution of radiopharmaceuticals, generators, reagent kits, sources, or devices not involving processing of radioactive <u>material</u> or by-product material. This category shall include the possession and use of source material for shielding when included on the same license.

Annual fee

Annual fee

\$1,985.00 \$2,350.00

(5) Licenses for possession and use of radioactive <u>material</u> or by-product material in sealed sources for irradiation of materials <u>items</u> in <u>self-shielded units in</u> which the source is not removed from its shield.

\$1,500.00 <u>\$1,800.00</u>

(6) Licenses for possession and use of less than 10,000 curies of radioactive material or

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by-product material in sealed sources for irradiation of materials <u>items</u> in which the source is exposed for irradiation purposes. This category shall include underwater irradiators for irradiation of materials items in which the source is not exposed for irradiation purposes.

Annual fee \$2,750.00 \$3,300.00

(7) Licenses for possession and use of at least 10,000 curies <u>or more</u> of radioactive <u>material</u> or by-product material in sealed sources for irradiation of materials <u>items</u> in which the source is exposed for irradiation purposes. This category shall include underwater irradiators for irradiation of materials items in which the source is not exposed for irradiation purposes.

Annual fee

\$10,045.00 <u>\$12,050.00</u>

(8) Licenses issued to distribute items containing radioactive <u>material</u> or by-product material that require device review to persons exempt from licensing, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from licensing.

Annual fee

\$2,495.00 \$3,000.00

(9) Licenses issued to distribute items containing radioactive <u>material</u> or by-product material or quantities of radioactive <u>material</u> or by-product material that do not require device review to persons exempt from licensing, except for specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from licensing.

Annual fee

\$2,535.00 \$3,050.00

(10) Licenses issued to distribute items containing radioactive <u>material</u> or by-product material that require a safety review of the sealed source or device to any person with a general

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license, except specific licenses authorizing redistribution of items that have been authorized for distribution to any person with a general license.

Annual fee

\$910.00 \$1,100.00

(11) Licenses issued to distribute items containing radioactive <u>material</u> or by-product material or quantities of radioactive <u>material</u> or by-product material that do not require a safety review of the sealed source or device to any person with a general license, except specific licenses authorizing redistribution of items that have been authorized for distribution to any person with a general license.

Annual fee

\$585.00 \$700.00

(12) Licenses of broad scope for possession and use of radioactive <u>material</u> or by-product material issued for research and development that do not authorize commercial distribution.

Annual fee

(13) Other licenses for possession and use of radioactive <u>material</u> or by-product material issued for research and development that do not authorize commercial distribution.

Annual fee

\$2,340.00 \$2,800.00

\$4,940.00 \$5,900.00

(14) Licenses that authorize services for other licensees, except the following:

(A) Licenses that authorize only calibration or leak-testing services, or both, shall be subject to the fee specified in paragraph (c)(16).

(B) Licenses that authorize waste disposal services shall be subject to the <u>applicable</u> fees specified in the fee categories in subsection (d).

Annual fee

\$2,535.00 \$3,050.00

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(15) Licenses for possession and use of radioactive <u>material</u> or by-product material for industrial radiography operations. This category shall include the possession and use of source material for shielding when authorized on the same license.

Annual fee

\$5,105.00 \$6,100.00

(16) All other specific radioactive <u>material</u> or by-product material licenses not otherwise specified in this regulation.

Annual fee

\$1,040.00 \$1,250.00

(17) Registration of general licenses for devices or sources specified in part 3 of this article, except those authorized by K.A.R. 28-35-178f.

Annual fee

\$190.00 \$225.00

(d) Waste disposal and processing.

(1) Licenses authorizing the possession and use of radioactive or <u>material</u>, <u>including</u> byproduct material, source material, or <u>and</u> special nuclear material waste, for a commercial, lowlevel radioactive waste disposal facility.

Annual feefull cost, as specified in K.A.R. 28-35-146a(A) Amendment to license concerning safety and environmental questions issues.Amendment feefull cost, as specified in K.A.R. 28-35-146a

(B) Amendment to license concerning administration <u>administrative</u> questions <u>with no</u> <u>safety or environmental issues</u>.

Amendment fee

full cost, as specified in K.A.R. 28-35-146a

(2) Licenses specifically authorizing the receipt of radioactive or material, including by-

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product material, source material, or <u>and</u> special nuclear material waste, from other persons for the purpose of packaging or repackaging the <u>radioactive</u> material. The licensee shall dispose of the <u>radioactive</u> material by transfer to another person authorized to receive or dispose of the <u>radioactive</u> material.

Annual fee

\$4,285.00 \$5,150.00

(3) Licenses specifically authorizing the receipt of prepackaged radioactive or <u>material</u>, <u>including</u> by-product material, source material, or <u>and</u> special nuclear material waste, from other persons. The licensee shall dispose of the <u>radioactive</u> material by transfer to another person authorized to receive or dispose of the <u>radioactive</u> material.

Annual fee

\$3,080.00 \$3,700.00

(e) Well logging.

(1) Licenses for possession and use of radioactive <u>material</u> or by-product material, source material, or special nuclear material for well logging, well surveys, and tracer studies other than field flooding tracer studies.

Annual fee

\$1,985.00 \$2,350.00

(2) Licenses for possession and use of radioactive <u>material</u> or by-product material for field flooding tracer studies.

Annual fee

\$1,985.00 \$2,350.00

(f) Nuclear laundries.

Licenses for commercial collection and laundry of items contaminated with radioactive <u>material</u> or byproduct <u>by-product</u> material, source material, or special nuclear material.

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\$9,620.00 <u>\$11,550.00</u>

Annual fee

(g) Medical licenses.

(1) Licenses issued for human use of radioactive <u>material</u> or by-product material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category shall include the possession and use of source material for shielding when authorized on the same license.

Annual fee

\$4,575.00 \$5,500.00

(2) Licenses of broad scope issued to medical institutions or two or more physicians authorizing research and development, including human use of radioactive <u>material</u> or byproduct material, except licenses for radioactive <u>material</u> or by-product material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category shall include the possession and use of source material for shielding when authorized on the same license. Separate annual fees shall not be assessed for pacemaker licenses issued to medical institutions who <u>that</u> also hold nuclear medicine licenses under categories in this paragraph or paragraph (g)(3).

Annual fee

<u>\$10,305.00</u> <u>\$12,350.00</u>

(3) Other licenses issued for human use of radioactive <u>material</u> or by-product material, source material, or special nuclear material, except licenses for radioactive <u>material</u> or by-product material, source material, or special nuclear material in scaled sources contained in teletherapy devices. This category shall include the possession and use of source material for shielding when authorized on the same license. Separate annual fees shall not be assessed for

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pacemaker licenses issued to medical institutions who that also hold nuclear medicine licenses under categories in this paragraph or paragraph (g)(2).

Annual fee

\$1,920.00 <u>\$2,300.00</u>

(h) Civil defense.

Licenses for possession and use of radioactive <u>material</u> or by-product material, source material, or special nuclear material for civil defense activities.

Annual fee

\$540.00 \$650.00

(i) Device, product, or sealed source safety evaluation.

(1) Safety evaluation review of each device or product containing radioactive <u>material</u> or by-product material, source material, or special nuclear material, except any reactor fuel device, for commercial distribution. This fee shall apply to each device or product.

Fee

\$2,925.00 \$3,500.00

(2) Safety evaluation review of each device or product containing radioactive <u>material</u> or by-product material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant, except any reactor fuel device. This fee shall apply to each device or product.

Fee

\$2,925.00 \$3,500.00

(3) Safety evaluation of each sealed source containing radioactive <u>material</u> or by-product material, source material, or special nuclear material, except reactor fuel, for commercial distribution. This fee shall apply to each sealed source.

Fee

\$945.00 <u>\$1,100.00</u>

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\$325.00 \$365.00 \$625.00 \$750.00 \$135.00 \$200.00 \$135.00 \$200.00 \$35.00 \$50.00 Annual fee \$130.00 \$300.00 (1) An additional annual fee of 50 percent of the annual fee specified in this regulation

shall be assessed for each noncontiguous site where radioactive material is stored or used under

the same license, per category.

Fee

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(4) Safety evaluation of each sealed source containing radioactive material or by-product material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant. This fee shall apply to each sealed source.

(j) Reciprocity. (1) Licensees who conduct activities under a reciprocal agreement. Annual fee (2) Registrants who conduct activities under a reciprocal agreement. Annual fee (k) X-ray machines. (1) Base registration fee per facility. Annual fee (2) Registration fee for each x-ray tube at a facility. This fee shall be in addition to the base registration fee. Annual fee per x-ray tube (1) Particle accelerators.

(m) Noncontiguous sites.

K.A.R. 28-35-147a, page 10

(2) "Noncontiguous site" shall have the meaning specified in K.S.A. 2018 Supp. 48-1606, and amendments thereto. (Authorized by and implementing K.S.A. 2018 Supp. 48-1606; effective Oct. 8, 2004; amended March 29, 2013; amended P-_____.)

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Kansas Administrative Regulations Economic Impact Statement For the Kansas Division of the Budget

KDHE/Bureau of Community Health Systems Agency

Susan Vogel Agency Contact 785-296-1291 Contact Phone Number

Proposed

28-35-146a and 28-35-147a K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to: Division of the Budget

900 SW Jackson, Room 504-N Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

KAR 28-35-146a and KAR 28-35-147a raise the fees charged for radioactive materials licenses in Kansas and x-ray registrants to the maximum as allowed by statute. Kansas is an Agreement State. This means that Kansas has entered into an Agreement with the Nuclear Regulatory Commission (NRC) which gives the Kansas Department of Health and Environment (KDHE) the authority to license and inspect radioactive material used or possessed within the state. The Radiation Control Program works under the oversight of the NRC, must remain compatible with the federal program, and receives periodic audits and inspections by the NRC. To carry out the responsibilities of the Nuclear Energy Development and Radiation Control Act, K.S.A. 48-1601, et seq., and amendments thereto, (the Act), K.S.A. 48-1606 addresses collection of fees as follows: "(c)(7) The secretary may: fix, charge and collect fees for licenses and registration, and renewals thereof, issued under the nuclear energy development and radiation control act to cover all or any part of the cost of administering such act" Maximum fees are listed in the statute and the actual fees are listed in the regulations. All fees collected are deposited into the Radiation Control Program fee fund.

KDHE is requesting the fees listed in K.A.R. 28-35-147a be raised to be equal to the maximum fee as listed in statute. The last fee increase went into effect in 2013 and was at that time estimated to be sufficient for five years. The agency has reached that five-year estimate and an increase in fees is needed to maintain the program. It is also important to note that raising Kansas fees to the maximum currently listed in the statute will still leave comparable NRC fees at an average of between 7% and 30% higher than the corresponding Kansas fees.

If Kansas were not an Agreement State, the much higher NRC fees would be charged to all the radioactive materials licensees. It is to the financial benefit of all Kansas radioactive materials licensees that Kansas maintains the regulatory oversight of these materials rather than the NRC. To maintain Kansas as an Agreement State with the NRC, the Radiation Control Program must meet adequacy and compatibility requirements. Those requirements include, but are not limited to, maintaining the technical quality of inspections, licensing, and incident and allegation inspections. The current fee structure is not keeping pace with the expense of meeting these requirements.

K.A.R. 28-35-147a also includes a description of the new provision to change the method of charging radioactive materials license fees to those facilities which have multiple sites of use. In accordance with 2018 HB 2600, an additional 50% of the license fee is added to the total radioactive materials license fee for each additional site of use. This regulation also raises the fees charged to x-ray registrants to the maximum allowed by statute. The



fee for an x-ray facility to register will be raised from \$135.00 to \$200.00 and the fee for each additional x-ray tube will be raised from \$35.00 to \$50.00. The current fee structure is not keeping pace with the costs to support the salaries and travel of KDHE x-ray compliance inspectors to inspect all Kansas facilities and accomplish all the other duties associated with regulation of x-ray devices. The x-ray program in particular requires one additional FTE inspector to ensure all x-ray systems in Kansas are inspected at least once every five years, with the higher dose x-ray systems having a more frequent inspection schedule.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

Under the NRC-Kansas delegation agreements, the state of Kansas is required to have adequate funding and staff resources and to maintain regulations, inspection, and licensing which are compatible with the NRC to retain KDHE's authority under the Agreement. Specific fees are not mandated by the NRC. These proposed amendments, while fiscal in nature, will enable the state to retain that Agreement State authority by meeting the NRC requirement to implement the program. This approach is identical to the practice of contiguous states which have Agreement State status with the NRC (Note: Missouri is not an Agreement State, and therefore their radioactive materials license fees are the much higher NRC fees).

III. Agency analysis specifically addressing following:

A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The Radiation Control Program, located within the KDHE Bureau of Community Health Systems, has the statutory authority to perform all functions and duties as necessary to meet the requirements set forth in the Act. Ensuring the fees are sufficient to cover the expenses of the agency in accomplishing the statutory requirements will be a benefit to Kansas by ensuring that Kansas remains an Agreement State rather than falling back under the authority of the NRC. This helps grow the Kansas economy by keeping the fees lower than would be charged by the NRC. The program continually works to preserve resources and protect Kansas families by ensuring that the medical and industrial uses of radioactive material are performed safely to ensure the lowest achievable dose to workers, patients, and residents while protecting the environment from contamination. The fee increase to x-ray registrants is minimal and is not anticipated to have a fiscal impact which restricts business activities or growth for any medical or industrial facilities utilizing x-ray machines.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

The fees charged by the Radiation Control Program as listed in these proposed regulations are reasonable and comparable to fees being charged to maintain radiation control programs in other states. The Radiation Control Program fees as included in these proposed regulations are significantly less than the fees **REGELVED** the NRC. The following tables include a comparison of selected

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radioactive materials fees charged by various states and the NRC and a comparison of Kansas x-ray fees with other neighboring states:

KANSAS RADIATION FEES COMPARISON TABLE

Type of Fee	Kansas*	lowa**	Nebraska	Oklahoma	Minnesota***	Texas****	Colorado*****	NRC*****
Academia – Broad Scope	\$5900	\$10500	\$18000	\$5320	\$19920	\$23810	\$11605	\$25900
Civil Defense	\$650	\$1000	\$1100	\$1725	NA	NA	\$1270	\$7600
Industrial Radiography	\$6100	\$4300	\$6500	\$13500	\$9840	\$8490-	\$14540	\$27000
						\$17870		
Industrial Portable Gauge	\$1250	\$650	\$1500	\$1590	\$2000	\$3240	\$2790	\$9300
Industrial Fixed Gauge	\$1250	\$650	\$1500	\$1590	\$2000	\$3410	\$2790	\$9300
Medical – Broad Scope	\$12350	NA	\$18000	\$22720	\$19920	\$23810	\$28015	\$33800
Medical – Institution	\$2300	\$2000	\$3900	\$22720	\$3680	\$3620	\$5335	\$14700
Research & Development	\$5900	\$2500	\$3800	\$11790	\$9520	\$5970	\$5110	\$25900
Service Provider	\$3050	\$650	\$4300	\$5900	\$4960	\$1460-	\$5560	\$25900
						\$3600		
Well Logging	\$2350	NA	\$2500	\$7910	\$3760	\$5920	\$10200	\$16000
Reciprocity	\$750	\$1800	\$750-	\$2880-	\$1200	Same as	75% of above	Same as
			\$2900	\$4030		above		above
x-ray Facility	\$200		\$70-\$500		\$100		\$50	
x-ray Machine		\$29-			\$40-\$100	\$290-	\$60	
		\$102				\$1910		
x-ray Tube	\$50	1		\$30-\$95				

*Kansas fees as listed in the proposed regulation which are equal to the maximum allowed by statute.

**Iowa charges a fee of \$400 for each license amendment.

***Minnesota charges a fee of \$300 for each license amendment. Minnesota charges a late fee for x-ray registration of 25% of the x-ray fee.

****Texas charges 25% of applicable fee not to exceed 50 additional sites for additional authorized use sites where radioactive material is stored or used under the same license or where only records are stored. Texas x-ray fees are for a two-year period.

*****Colorado charges inspection fees ranging from \$1950 - \$7335.

******10 CFR 171.16 - NRC charges \$304 for each new license application in addition to the required annual fee. NRC also charges \$189 per hour of direct staff time associated with the review for an expedited license review

C. Businesses that would be directly affected by the proposed rule and regulation;

The costs will be borne by the regulated community in Kansas which consists of 270 facilities licensed to use radioactive materials and 2,634 facilities registered to use x-ray equipment. These facilities include academic institutions, industrial/construction operations, research labs, medical and dental facilities, and security screening operations.

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The radioactive materials license fees as listed in K.A.R. 28-35-147a were last raised in 2013. At that time, testimony was provided that those fee increases should be sufficient to cover program expenses for five years. Staff at that time failed to take into account indirect costs associated with fee funds. Because of that, the program has continuously been behind in covering their indirect cost requirements and still meet other program expenses. At the current fee structure and taking into account the increased salary costs and travel costs associated with inspector time and travel, and the increased overhead costs

of maintaining the program office and computer facilities, the program is unable to meet all its expenses. This fee increase is projected to be sufficient to cover program operation costs and indirect costs for at least three years, which is **REGE** to maintain compatibility with the NRC and keep Agreement State status

and regulatory authority over licensed radioactive materials for Kansas.



E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

Fees will increase as described for radioactive materials licensees and x-ray registrants. Kansas radioactive materials license fees remain lower than those charged by the NRC in non-agreement states and lower than all neighboring Agreement States.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

There are no implementation costs besides the increase in fees. The increase is estimated to be approximately \$111,000.00 for all radioactive materials licensees and \$303,235.00 for all x-ray registrants in Kansas.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES □ NO ⊠

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

A fiscal comparison was made for all Kansas radioactive materials licensees and x-ray registrants between what is currently paid annually and how much would be the fee increase difference annually if these regulations are adopted.

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES \Box NO \boxtimes This is not applicable.

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the

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state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

The proposed regulations will have no effect on the cities, counties or school districts within the state. However, when the notice of hearing for these regulations is published in the *Kansas Register*, standard agency procedure will be followed and the three organizations will be contacted electronically for comment with attached copies of the regulations, economic impact statement, and published notice of hearing.

H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

The agency posted an Information Notice on the KDHE/Radiation Control website, informing licensees and registrants about the proposed regulations to increase fees. The Information Notice referenced the contact person and number for comments or questions and advised that the notice of hearing, proposed regulations and economic impact statement will be posted on the KDHE/Radiation Control website. An email was sent to all radioactive materials licensees and x-ray registrants which included information and a link to this information notice.

I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

These are public health regulations that will protect the health of Kansans and help protect the environment from contamination.

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