



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

December 21, 2021

SECRETARY

MEMORANDUM TO: Daniel H. Dorman
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary

SUBJECT: STAFF REQUIREMENTS – SECY-17-0083 – RE-EVALUATION
OF CATEGORY 3 SOURCE SECURITY AND ACCOUNTABILITY
IN RESPONSE TO SRM-COMJMB-16-0001

The Commission has approved staff's recommendation to pursue rulemaking to amend 10 CFR Parts 30, 40, and 70 to:

1. require safety and security equipment to be in place before granting a license for an unknown entity in order to address the concern related to obtaining a valid license using a fictitious company or by providing false information; and,
2. clarify license verification methods for transfers involving quantities of radioactive material that are below Category 2 thresholds in order to: (a) update the oral certification method to require that the certification be followed up with confirmation by the use of one of the other acceptable verification methods in those parts, and (b) remove the obsolete method of obtaining other sources of information compiled by a reporting service from official records.

With regard to Concern 2 discussed in the paper - "The ability to alter a valid license to obtain more or different radioactive material than authorized or to counterfeit a license to obtain radioactive materials illicitly," the Commission has approved Option 2. Under this option, licensees transferring Category 3 quantities of radioactive material would be required to verify licenses through the Licensee Verification System (LVS) or the regulatory authority. Agreement States that do not use the Web-Based Licensing System as their license tracking system would need to either voluntarily provide their licenses authorizing Category 3 quantities of radioactive material to the NRC to facilitate verification through LVS, or perform manual license verification.

As part of the rulemaking, the staff should evaluate and seek stakeholder comment on whether there is any subset of routine transactions involving established licensees to which the enhanced license verification requirement should not apply or should apply with reduced frequency.

The Commission has approved the staff's recommendation not to amend the regulations to: a) require inclusion of Category 3 sources in National Source Tracking System; or (b) impose security requirements to prevent aggregation of Category 3 sources to a Category 2 quantity of radioactive material.

The staff should conduct further evaluation to ensure that the general license program continues to provide reasonable assurance that public health and safety will be protected in the current environment.

Within six months of the final Staff Requirements Memorandum, the staff should provide to the Commission a notation vote paper with the staff's evaluation and recommendations developed by the General License Program Re-Evaluation Working Group and the General License Program Modernization Working Group.

cc: Chairman Hanson
Commissioner Baran
Commissioner Wright
OGC
CFO
OCA
OPA
ODs, RAs, ACRS, ASLBP
PDR