NOTICE OF FINAL RULE SIGNED BY EDO

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

On <u>February 21</u>, 2003, the Executive Director for Operations approved a direct final rule that amends 10 CFR Parts 40 and 150. This amendment will require the reporting of source material with foreign obligations, instead of source material of foreign origin. Relying on the origin of the source material is no longer precise enough to meet the U.S. Government needs to satisfy its tracking and reporting requirements to the foreign governments under the various agreements for peaceful nuclear cooperation. This amendment will also permit licensees to submit their annual source material inventory statements along with their material balance reports for special nuclear material, providing additional flexibility.

This notice informs the Commission that, in accordance with the rulemaking authority delegated to the EDO, the EDO has signed this direct final rule and proposes to forward it on <u>March 3</u>, <u>2003</u> to the Office of the Federal Register for publication, unless otherwise directed by the Commission.

This direct final rule does not constitute a significant question of policy, nor does it amend regulations contained in 10 CFR Parts 7, 8, or 9, Subpart C, concerning matters of policy.

The final rule can be found in ADAMS at ML030300221.