

March 18, 2005

TO: ALL NRC MATERIALS LICENSEES AUTHORIZED TO CONDUCT LICENSED  
ACTIVITIES IN THE STATE OF MINNESOTA

SUBJECT: PROPOSED AGREEMENT WITH THE STATE OF MINNESOTA

Dear Licensee:

As you are probably aware, the State of Minnesota intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission (NRC). Under the Agreement, the NRC would relinquish to the State of Minnesota regulatory authority for certain licenses for byproduct, source, and special nuclear materials. Following the announced comment period, it is anticipated that the Agreement would become effective on or about September 6, 2005.

To assist you in understanding the effect of this proposed change in regulatory authority, the following conditions would apply on the effective date of the Agreement:

1. As an NRC materials licensee (other than as described in item 4. below) located in and authorized to conduct licensed activities only in the State of Minnesota, your existing NRC license will be transferred to the State of Minnesota. The NRC license will eventually be converted to a State of Minnesota license at the time of next renewal, or amendment, as determined by the State.
2. As an NRC materials licensee located in Minnesota and authorized to conduct licensed activities in non-Agreement States (i.e., States regulated by the NRC), one of two situations may exist:
  - a. If your NRC license authorizes activities in Minnesota and at one or more permanent locations in any non-Agreement State, e.g., Indiana, Michigan, etc., you will be issued a new NRC license authorizing licensed activities in the non-Agreement States. The expiration date of the new license will be the same as your previous NRC license. There will be no fee assessed for this action.
  - b. If your NRC license authorizes activities in Minnesota and at temporary job sites in non-Agreement States, you will be given the opportunity to declare to our office whether or not you need both Minnesota and NRC materials licenses. If you want to maintain an NRC license, our office will issue a new license authorizing licensed activities at temporary job sites in non-Agreement States. We will be mailing an additional letter to all NRC licensees in the State of Minnesota licensed to work at temporary job sites. The letter will request that you inform us if you wish to keep an NRC license. When the Agreement is signed, your NRC license will be transferred to Minnesota but will only authorize licensed activities within the State.

3. If you are an NRC materials licensee located outside of Minnesota and your license authorizes the use of radioactive material at a location in Minnesota, you will need to contact the State of Minnesota to determine how to obtain a Minnesota license.
4. Notwithstanding the above three categories, licenses issued by the NRC to Federal Government agencies, or licenses authorizing the possession of special nuclear material in quantities sufficient to form a critical mass, or licenses authorizing exempt distribution, will remain under NRC jurisdiction.

Communications with the State of Minnesota should be addressed to:

George Johns  
Supervisor, Radiation Control Unit  
Section of Asbestos, Indoor Air, Lead, and Radiation  
Division of Environmental Health  
Department of Health  
1645 Energy Park Drive, Suite 300  
St. Paul, MN 55108  
(651) 642-0492

If you have any questions regarding this letter, please contact Ms. Cassandra Frazier, Senior Health Physicist, at (630) 829-9830 or Mr. James Lynch, Region III State Agreements Officer at (630) 829-9661.

Sincerely,

*/RA/*

Marc L. Dapas, Director  
Division of Nuclear Materials Safety

DOCUMENT NAME: E:\Filenet\ML050800413.wpd

To receive a copy of this document, indicate in the box: **C** = Copy without enclosure **E** = Copy with enclosure **N** = No copy

OFFICE	RIII	RIII	RIII	RIII
NAME	Frazier:mb	Pelke	Lynch	Dapas
DATE	03/16/05	03/16/05	03/16/05	03/18/05

**OFFICIAL RECORD COPY**