

July 21, 2005

AGREEMENT STATE RADIATION CONTROL PROGRAM DIRECTORS

**PROPOSED RULE: NATIONAL SOURCE TRACKING OF SEALED SOURCES
(RCPD-05-012)**

On June 30, 2005, the Commission approved publication of a proposed rule in the *Federal Register* to amend 10 CFR Parts 20, 32, and 150 to require licensees to report transactions involving the manufacture, transfer, receipt and disposal of nationally tracked sources. The proposed rulemaking includes the development and use of a software and database system termed the National Source Tracking System (NSTS). This system will be developed as soon as possible within reasonable costs according to the Rulemaking Issue outlined in the Commission Paper, SECY-05-0092 (Enclosure 1). The goal of NSTS is to provide greater source accountability for the 22 radionuclides of concern, and in conjunction with other activities will result in improved control for nationally tracked sources. This information will enable the U.S. Nuclear Regulatory Commission (NRC) to better risk-inform inspection and control efforts for byproduct material licensees. The proposed database will be considered "Official Use Only" and will provide a secure Internet-based interface to ease the reporting burden on licensees.

NRC has coordinated this effort with other Federal agencies and States via the Interagency Coordinating Committee that includes members from Department of Energy, Department of Homeland Security, and an Agreement State representative. The Rulemaking Issue was discussed with Agreement States and comments were addressed in SECY-05-0092. Primary concerns raised by both the States and individual Commissioners concerned the possibility of future inclusion of Category 3 sources in the NSTS database and the options in NRC inspection and enforcement of compliance as noted in the Voting Summary for SECY-05-0092 (Enclosure 2) and the June 30, 2005 Staff Requirements Memorandum on SECY 05-0092 (Enclosure 3). These issues will not be addressed in the current rulemaking process but staff will provide a paper to the Commission regarding the tracking or providing enhanced controls for sources below the Category 3 thresholds. The NRC will provide 75 days for public comment on the forthcoming *Federal Register* Notice and will hold two public meetings.

If you have any questions regarding this communication, please contact me at 301-415-3340 or the individual named below.

POINT OF CONTACT: Jenny Tobin
TELEPHONE: (301) 415-2328

INTERNET: JCT1@NRC.GOV
FAX: (301) 415-3502

/RA/

Paul H. Lohaus, Director
Office of State and Tribal Programs

Enclosures:
As stated

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