



# **Radioactive Materials Security and Licensing**

Commission Briefing

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# Outline

- Actions to Improve Security (2001-2007)
- GAO Investigation and Senate Hearing
- Recommendations
- Action Plan to Further Improve Security

# **Actions to Improve Security (2001-2007)**

- Staff Has Improved Security Posture to Reflect Post-9/11 Environment
- Security Assessments in 2002
- Materials Security Working Group
- Orders to Improve Security

# **Actions to Improve Security (2001-2007) (Continued)**

- Consistently Employed Risk-Informed, Graded Approach
- Highest Risk Sources Considered First
- Graded Requirements

# 2007 GAO Investigation

- Formed Bogus Company and Obtained NRC License
- Altered NRC License
- Two Suppliers Agreed to Sell Material
- Parallel Attempt to Obtain Agreement State License Aborted When Notified of Site Visit

# Short Term Actions Taken

- Discussed with GAO Investigators
- Terminated the NRC License
- Stopped Issuing New NRC Licenses Until Interim Guidance Issued
- Pre-Licensing Visits or Meetings for New Applicants
- Restarted Pre-Licensing Working Group

# Short Term Actions Taken

- Coordinated with Federal and State Partners
- Performed Consequence Assessment and Shared with GAO
- Retrospective Examination to Assure Licensees are Legitimate

# GAO Recommendations

- Mandatory Pre-Licensing Visits
- Periodic Oversight of License Reviewers
- Explore Prevention of License Counterfeiting



# Senate Staff Recommendations

- Permanent Subcommittee on Investigations:
  - Reevaluate “Good Faith” Presumption
  - Regulate Category 3 More Closely
  - Ensure Only Authorized Persons Get Radioactive Material

# OIG Recommendation

- Independent External Panel to:
  - Identify Vulnerabilities in Material Licensing
  - Validate the Agency's Byproduct Material Security Efforts

# Commission SRM

- Aug. 17, 2007
- Comprehensive Plan by Sept. 4, 2007
- Needed Changes in Licensing Process
- Include Short Term Actions

# Action Plan Overview

- External Review
- Pre-Licensing Working Group
- Materials Program Working Group
- NSTS and WBL
- General Licenses and Outreach
- Agreement State Partnership

# External Review Panel

- Three Independent Experts
- 120 Days to Review Licensing Process
- Identify Vulnerabilities and Effectiveness
- Review “Good Faith” Presumption

# Pre-Licensing Working Group

- Reconstitute 2005-2006 Working Group
- Regional and Agreement State Co-Chairs
- To Develop Revised Guidance on Pre-Licensing Reviews and Visits
- Product due November 30, 2007

# Materials Program Working Group

- FSME and Agreement State Co-Chairs
- Regional Participation
- Develop and Evaluate Solutions to:
  - Verification of Authorization
  - Counterfeiting
  - General Licenses

# Materials Program Working Group

- Review Results of External Review
- Comprehensive Program Assessment
  - Pre-Licensing Guidance (Broader Look)
  - Not Limited to Licensing
  - IMPEP Process
- Reports/Recommendations Phased Over Next Year



# **NSTS and WBL**

- Expand Rulemaking to Consider Smaller Sources (Category 3.5)
- Interface between NSTS and WBL
  - Effective Solution for Assuring Authorization
  - Impact for the Agreement States
- Partner with Agreement States to Achieve Broad Participation

# General Licenses

- Staff-Identified Vulnerability
- Short-term Action Will be Developed
- Framework Review
- Ongoing Rulemaking

# Resources

FY08 Unbudgeted		FY09 Unbudgeted	
FTE	\$(Thousands)	FTE	\$(Thousands)
15.5	2,580	12.0	8,260

# Staff's Plan

- Comprehensive and Responsive
- Short-term, Mid-Term and Long-Term Actions
- Independent, External Program Review
- Comprehensive Internal Assessment

# Acronyms Used

- DNMS – Division of Nuclear Materials Safety
- GAO – Government Accountability Office
- FSME – Office of Federal and State Materials and Environmental Management Programs
- WBL – Web-Based Licensing
- NSTS – National Source Tracking System
- SRM – Staff Requirements Memorandum