



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

September 30, 2009

Digirad Imaging Solutions, Inc.
ATTN: Traci Hollingshead
Vice President, Radiation Safety
7111 West Panama
Sioux Falls, South Dakota 57106

SUBJECT: LICENSE AMENDMENT

Please find enclosed Amendment No. 08 to NRC License No. 40-29283-01. **The U.S. Nuclear Regulatory Commission (NRC) and the State of New Jersey have signed an agreement in which the NRC relinquished its regulatory authority for certain licenses of byproduct, source, and special nuclear material, and in turn the State of New Jersey assumes such regulatory authority. This agreement becomes effective on September 30, 2009.**

Therefore, this amendment removes from NRC License No. 40-29283-01 the authorization to use licensed material in locations of use within the State of New Jersey. In a separate licensing action the NRC has issued a new license to Digirad Imaging Solutions in which only locations of use in New Jersey are listed. A copy of this new license has been transferred to the State of New Jersey and will allow Digirad Imaging Solutions to continue to use licensed material in the State of New Jersey under the new agreement.

An environmental assessment for this licensing action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14)(iv). You should review the enclosed document carefully and be sure that you understand all conditions. You can contact me at 817-860-8189 if you have any questions about this license.

NRC's Regulatory Issue Summary (RIS) 2005-31 provides criteria to identify security-related sensitive information and guidance for handling and marking of such documents. This ensures that potentially sensitive information is not made publicly available through ADAMS. The RIS may be located on the NRC Web site at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/reg-issues/2005/>. Pursuant to NRC's RIS 2005-31, the enclosed materials license will not be made publicly available.

NRC expects licensees to conduct their programs with meticulous attention to detail and a high standard of compliance. Because of the serious consequences to employees and the public that can result from failure to comply with NRC requirements, you must conduct your radiation safety program according to the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate by NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers: Inspection and Investigations," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

2. By 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in writing, and request termination of the license:
 - a. When you decide to terminate all activities involving materials authorized under the license whether at the entire site or any separate building or outdoor area;
 - b. If you decide not to acquire or possess and use authorized material; or
 - c. When no principal activities under the license have been conducted for a period of 24 months.
3. In accordance with 10 CFR 35.14, notify the NRC no later than 30 days after:
 - a. The date that the licensee permits an individual to work as an authorized user, an authorized nuclear pharmacist or an authorized medical physicist under 10 CFR 35.13(b)(1) through (b)(4);
 - b. An authorized user, an authorized nuclear pharmacist, a Radiation Safety Officer, or an authorized medical physicist permanently discontinues duties under the license or has a name change;
 - c. The licensee's mailing address changes;
 - d. The licensee's name changes, but the name change does not constitute a transfer of control of the license as described in 10 CFR 30.34(b); or
 - e. The licensee has added to or changed the areas of use identified in the application or on the license where byproduct material is used in accordance with either 35.100 or 35.200.
4. Request and obtain a license amendment before you:
 - a. Change Radiation Safety Officers;
 - b. Order byproduct material in excess of the amount, radionuclide or form authorized on the license;
 - c. Add or change the areas or address(es) of use identified in the license application or on the license, except for areas of use where byproduct material is used only in accordance with either 10 CFR 35.100 or 35.200; or
 - d. Change the name or ownership of your organization.
5. Submit a complete renewal application or termination request at least 30 days before the expiration date on your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of radioactive material after your license expires is a violation of NRC regulations.

NRC will periodically inspect your radiation safety program. Failure to conduct your program according to NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action against you. This could include issuance of a notice of violation; imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the NRC Enforcement Policy. The NRC Enforcement Policy is available on the following internet address: <http://www.nrc.gov/reading-rm/doc-collections/enforcement/>.

An electronic version of the NRC's regulations is available on the NRC Web site at www.nrc.gov. Additional information regarding medical uses of radioactive materials may be obtained on the NRC Web site at: <http://www.nrc.gov/materials/miau/med-use-toolkit.html>. This site also provides the updated Training and Experience NRC Form 313A series of forms and guidance, as well as information on the revised regulations for naturally-occurring and accelerator-produced radioactive materials (NARM).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Thank you for your cooperation.

Sincerely,

/RA/

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B

Docket: 030-37605
License: 40-29283-01
Control: 472335

Enclosure: As stated