

Sollenberger, Dennis

From: Jennifer Tobin - FSME
Sent: Friday, January 18, 2008 5:35 PM
To: Richard Peros
Cc: Dennis Sollenberger; Duncan White
Subject: Re: Agreement State ques.

Richard,
You're no bother at all! Thanks for the inquiry....

The answer to the question is:

10 CFR 31.9 like 40.21 authorize the ownership of byproduct or source material but does not authorize the possession or use of the material. The provision was added to the regulation to allow investment groups or individual (materials brokers) to purchase (own) radioactive material and then lease the material/device to the ultimate user or sell it and have the manufacturer send the device directly to the end user. There are companies that lease radiography cameras to radiographers and the leasing company does not need a specific license unless they actually take possession of the camera.

In the source material side of things, uranium is sold and traded on the commodity market and the people that buy and sell uranium but never take possession are general licensees of the Commission under 40.21.

I hope this explains this regulatory section. Please let us know if you have any other questions. Thanks!

-Jenny

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>>> "Richard Peros" <Richard.Peros@dep.state.nj.us> 1/16/2008 1:19 PM >>>

Ms. Tobin - Sorry to bother you, but another part of what we're adopting has us scratching our heads. Specifically, 10 CFR 31.9(underlines added for emphasis):

the first sentence says a general license is issued to own byproduct material without regard to quantity, but the second sentence says the general licensee is not authorized to manufacture, ..., possess, ...byproduct material, except under a specific license.

So, how can you own as much as you want (no limitation?) as a general licensee, but not possess what you own, unless you're specifically licensed?

Since I have to explain this to our lawyers, I thought it would be good if I had this straight, which I don't at the moment.

Thanks for any clarification you can provide.