

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

JAN 10 1990

MEMORANDUM FOR: S. Chilk, SECY

FROM: R. B. Minogue, Director Office of Standards Development

THRU:

L. V. Gossick, Executive Director TAR for Lici-

SUBJECT: EMPLOYEE PROTECTION FOR INDIVIDUALS THAT PROVIDE INFORMATION TO NRC

On December 13, 1979, SECY-79-661 was distributed as a "Consent Calendar" item. Enclosed are revised pages including a new Enclosure 9. I recommend these be distributed to all recipients of SECY-79-661.

These pages (1) update the Commission paper to reflect the recent issuance by the Department of Labor of effective regulations that implement the Department's new authority under Public Law 95-601 (NRC FY79 Authorization Act) Section 10 and (2) correct errors. The area of change is indicated by a line on the margin.

R.B. Minor R. B. Minogue, Director

Office of Standards Development

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applicant but also is applicable to "...a contractor or a subcontractor of a Commission licensee..." and it provides for the possible prescription of various remedies through the Department of Labor. At the same time the new Section 10 is narrower than the authority under the Atomic Energy Act in that it does not provide for a penalty against the organization discriminating. The new Section 10 appears to be based on presumptions that the safety of regulated facilities and activities will be enhanced if discrimination against individuals who provide information to NRC is minimized and if procedures for remedy in the event of discrimination are available and utilized since more information will be available to NRC.

In addition to the Clean Air Act and the Federal Water Pollution Control Act, other Public Laws listed in Enclosure 3 have provisions relating to employee protection that involve the Department of Labor. To date neither of the agencies responsible for the technical implementation of the Federal Water Pollution Control Act, Safe Drinking Water Act, Toxic Substance Control Act, Solid Waste Disposal Act or International Safe Container Act, i.e., EPA, DOT, have published either a proposed or final rule relating to employee protection. The agency responsible for the implementation of the employee protection provisions, i.e., Department of Labor (DOL), noticed in the Federal Register dated January 8, 1980 (45 FR 1836) effective regulations based on the various statutes that contain such provisions. These regulations are attached as Enclosure 9. The lack of final rules by DOL or NRC has not been a bar to proceedings under the new Section 10. NRC has referred some cases to the DOL and in at least one case DOL has made a finding which ordered the licensee to accomplish specific remedies.

<u>Alternative 1</u>: Do not take any action, including NRC rule making, to implement the new Section 10 but rely on rulemaking by the agency responsible for the implementation of Section 10, i.e., Department of Labor.

- Pro: 1. This method of implementation would be the lowest cost method of implementation, to NRC.
- Con: 1. NRC action will not directly provide guidance to the employee, who may be in need of guidance, concerning procedures to seek a remedy to discrimination.
 - NRC action will not ensure that each appropriate organization, including present and future licensees, is aware that certain forms of discrimination are prohibited.
 - NRC action will not ensure that the advocate of the employee, e.g., union, is aware of procedures to seek a remedy for those who have suffered discrimination.

Resource estimate: No NRC resources required.

Recommendation:

That the Commission:

- 1) Approve:
 - a) Preparation of a joint NRC/DOL Memorandum of Understanding to implement Alternative 2, and
 - b) Publication in the Federal Register of a notice of proposed rulemaking (Enclosure 6) to implement Alternatives 3, 4 and 5. This notice would extend the current prohibition of discrimination to include applicants and permittees; announce the new statutory prohibition of discrimination by licensees, permittees, applicants, contractors and subcontractors; identify the remedies available through the Department of Labor in the event discrimination occurs; require some licensees, permittees, and applicants to post information concerning discrimination and remedy and allow NRC to take enforcement action against licensees, permittees, and applicants for discriminating acts.
- 2) Note:
 - a) The resource estimate for the staff recommendation is eight (8) person-months over a 9-month period for the rulemaking, an annual printing and distribution cost of \$3500, a one-time cost for the preparation of the Memorandum of Understanding of 2 person-months, and a continuing resource cost of 1 personmonth per year for additional inspections.
 - b) The Memorandum of Understanding (MOU) will be prepared by the Office of the Executive Legal Director in coordination with IE. NRC staff has held preliminary discussions with DOL staff concerning MOU development. The MOU will be coordinated with DOL by the NRC Office of the Executive Legal Director.
 - c) The Memorandum of Understanding and the <u>Federal Register</u> notice will be distributed by ADM to licensees, permittees, and applicants and categories defined in NRC Manual Appendix 3203 as public interest groups, labor organizations, service organizations, and directors of Agreement State radiation control programs.
 - d) A public announcement such as Enclosure 7, which was prepared by the Office of Public Affairs, will be issued when the <u>Federal Register</u> notice is filed with the Office of the Federal Register. In addition, a public announcement will be prepared by the Office of Public Affairs prior to filing the Memorandum of Understanding with the Office of the Federal Register.

The Commissioners

Enclosures:

- Public Law 95-601 Section 10 "Employee Protection"
- OELD Summary of Provisions of Section 10
- List of Public Laws that have Employee Protection provisions involving DOL
- Notes related to "Memorandum of Understanding" between NRC and DOL regarding Employee Protection
- 5. NRC Form 3 Proposed Revision 5/79
- Draft Federal Register Notice of Proposed Rulemaking
- 7. Draft Public Announcement
- Braft Congressional letter
 45 FR 1836 (Jan. 8, 1980)
 - 29 CFR Part 24

PUBLIC LAWS THAT HAVE EMPLOYEE PROTECTION PROVISIONS INVOLVING D.O.L.

	Implementation of			
Public Law	Regulatory Provisions	Employee Protection		
Fair Labor Standards Act of 1938 P. L. 718 §15(a)(3) 29 U.S.C. 215(a)(3) 52 Stat. 1060	Dept. of Labor	Dept. of Labor		
Occupational Safety and Health Act of 1970 P. L. 91-596 §11(c) 29 U.S.C. 660(a) 84 Stat. 1603	Dept. of Labor Occupational Safety and Health Admin.	Dept. of Labor Occupational Safety and Health Adm. 29 CFR §1977		
Longshoremen's and Harbor Workers' Compensation Act Amendments of 1972 P. L. 92-576 §19 33 U.S.C. 948a 86 Stat. 1251	Dept. of Labor	Dept. of Labor		
Federal Water Pollution Control Act Amendments of 1972 P. L. 92-500 § 507(a)-(e) 33 USC 1367 86 Stat. 890	Environmental Prot. Agency	Dept. of Labor Employment Standards Adm. (ESA)4		
Safe Drinking Water Act (1974) P. L. 93-523 §1450(i)(1)-(6) 42 u.S.C. 300j - 9(i) 88 Stat. 1692	Environmental Prot. Agency	Dept. of Labor Employment Standards Adm. (ESA) ⁴		
Toxic Substances Control Act (1976) P. L. 94-469 §23(a) (e) 15 U.S.C. 2622 90 Stat. 2004	Environmental Prot. Agency	Dept. of Labor Employment Standards Adm. (ESA) ⁴		
Resource Conservation and Recovery Act of 1976 ¹ P. L. 94-580 §7001(a)-(e) 42 U.S.C. 6971 90 Stat. 2824	Environmental Prot. Agency	Dept. of Labor Employment Standards Adm. (ESA) ⁴		

¹This may be cited as the Solid Waste Disposal Act. ⁴See 29 CFR Part 24 (45 FR 1836).

Enclosure "3"

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Public Law

Clean Air Act Amendments of 1977² P. L. 95-95 §312 42 U.S.C. 7622 91 Stat. 783

Federal Mine Safety and Health Act of 1977³ P. L. 95-164 §105(c)(1) 30 U.S.C. 815 91 Stat. 1304 Implementation of Regulatory Provisions Employee Protection

Environmental Prot. Agency

Dept. of Labor Dept. of Health, Education & Welfare Dept. of Labor Employment Standards Adm. (ESA)⁴

Dept. of Labor Federal Mine Safety and Health Review Comm. 29 CFR Part 2700-Rules of Procedure 44FR38226 June 29, 1979 Į

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International Safe Container Act P. L. 95-208 §7(a)-(c) 46 U.S.C. 1506 91 Stat. 1479

National Labor Relations Act P. L. ? § 8(a)(4) 29 U.S.C. 158(a)(4) -- Stat. Dept. of Transportation Dept. of Labor Employment Standards Adm. (ESA)

²Amends Clean Air Act, P. L. 91-604 ³Amends Federal Coal Mine Health and Safety Act of 1969, P. L. 91-173 ⁴See 29 CFR Part 24 (45 FR 1836)

Enclosure "3"

scope in that it relates the posting requirements to radiation areas. NRC is considering whether a more comprehensive regulatory program for protection should be developed by it to complement the DOL program. DOL noticed effective rules for its program on January 8, 1980 (45 FR 1836).

Accordingly, the Commission proposes to amend the regulations not only to announce the prohibition of discrimination of the type described above and to announce the availability thru the Department of Labor of a remedy for employees who believe they have been discriminated against but also to require posting by specific types of licensees, permittees and applicants of explanatory material concerning the prohibition and remedy.† In addition, the Commission proposes to delete 10 CFR 19.16(c) but at the same time to amend Part 19 by the addition of 10 CFR 19.20. This new paragraph, when combined with proposed changes to Parts 30, 40, 50, 70, and 71 will extend the current prohibition of discrimination against workers, who provide information concerning radiological working conditions to NRC, to include employees who provide information relating to radiological health protection matters, safeguard matters that could affect the public health and safety or common defense and security or anti-trust matters.

Title 10, Chapter I contains provisions in various Parts, for example paragraph 40.25(e), to exempt specific categories of "general licensees" from the requirements of 10 CFR Part 19. This exemption is based on the nature of the licensed activity. On the basis of this exemption these

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Copies of the material to be posted, NRC Form 3 (Proposed Revision 5/79) may be obtained by writing the Office of Administration, Document Management Branch, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555.

NRC CONSIDERS CHANGES TO REGULATIONS ON PROTECTION OF EMPLOYEES WHO PROVIDE INFORMATION

The Nuclear Regulatory Commission is considering changing its regulations to strengthen protection for persons who provide information to the Commission in connection with their employment with an NRC-regulated organization or a contractor or subcontractor to such organization.

The proposed amendments would:

(1) Expand the types of information for which Commission protection applies to include information on antitrust, safety and security matters, in addition to radiological working conditions;

(2) Apply the employee protection provisions not only to licensees but also to holders of construction permits, applicants for a license or permit and their contractors and subcontractors; and

(3) Require that licensees, construction permit holders and applicants post on their premises explanatory material on the prohibition against discrimination and the recourse for remedy available through the Department of Labor.

The revised regulations would implement a November 6, 1978, amendment to the Energy Reorganization Act of 1974, which added a new section on "Employee Protection." The new section identifies specific acts of employees as protected activities and prohibits employers from discharging or otherwise discriminating against employees who engage in those activities. It also gives the Department of Labor new authority to investigate an alleged act of discrimination and, if found appropriate, order reinstatement of the employee, with back pay and compensatory damages. The Department published regulations to implement this authority in the Federal Register on January 8, 1980.

Enclosure 7

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DEPARTMENT OF LABOR

Office of the Secretary

29 CFR Fart 24

Procedures for the Handling of Discrimination Complaints Under Fadaral Employee Protection Statutes

AGENCY: Department of Labor.

ACTION: Final rule.

SUMMARY: This rule establishes procedures for the handling of employee complaints of discrimination under the employee protection provisions of the following Federal statutes: Safe Drinking Water Act, Water Pollution Control Act, Toxic Substances Control Act, Solid Waste Disposal Act, Clean Air Act, Energy Reorganization Act of 1974.

EFFECTIVE DATE: January 8. 1980.

FCR FURTHER INFORMATION CONTACT: George M. Lilly, Counsel, Employee Benefits Division, Office of the Solicitor, U.S. Department of Labor, Suite N2716, NDCL Building, 200 Constitution Avenue, N.W., Washington, D.C. 20210, (202) 357-0437.

SUFPLEMENTARY INFORMATION: Recent Congressional concern for the protection of "whistle-blower" employees from discriminatory actions by their employers has led to the enactment of special employee protection provisions in several federal statutes. Responsibility for the handling of these protections has been lodged with the Secretary of Labor. The Secretary of Labor has determined that uniform procedures are required for the orderly resolution of the complaints now being filed with the Secretary pursuant to these several statutory provisions.

The Department of Labor has determined that this document is not a significant rule and does not require a regulatory analysis under Executive Order 12044 and Department of Labor Guidelines (44 FR 5570). This document was prepared under the supervision of Laurie M. Streeter, Associate Solicitor, Division of Employee Benefits.

Accordingly, since this rule relates only to procedural matters required by statute for which no proposed rulemaking is required. Subtitle A of Title 23 of the Code of Federal Regulations is hereby amended by the addition of the following new Part 24, which provides as follows: PART 24—PROCEDURES FOR THE HANDLING OF DISCRIMINATION COMPLAINTS UNDER FEDERAL EMPLOYEE PROTECTION STATUTES

Sec.

- 24.1 Purpose and scope.
- 24.2 Obligations and prohibited acts. 24.3 Complaint
- 24.3 Complaint. 24.4 Investigations.
- 24.4 Investigati 24.5 Hearings.
- 24.6 Decisions and orders.
- 24.7 Judicial review.
- 24.8 Enforcement proceedings.
- 24.9 Exception

Authority: 42 U.S.C. 300|-9(i): 33 U.S.C. 1367: 15 U.S.C. 2622: 42 U.S.C. 6971: 42 U.S.C. 7622: 42 U.S.C. 5851.

§ 24.1 Purpose and scope.

(a) This part implements the several Federal employee protection provisions for which the Secretary of Labor has been given responsibility pursuant to the following statutes: Safe Drinking Water Act, 42 U.S.C. 300i-9(i); Water Pollution Control Act, 33 U.S.C. 1367: Toxic Substances Control Act, 15 U.S.C. 2522; Solid Waste Disposal Act, 42 U.S.C. 6971: Clean Air Act, 42 U.S.C. 7622; Energy Reorganization Act of 1974, 42 U.S.C. 5851.

(b) Procedures are established by this part pursuant to the federal statutory precisions listed above, for the expeditious handling of complaints by employees, or persons acting on their behalf, of discriminatory action by employers.

§ 24.2 Obligations and prohibited acts.

(a) The several statutory employee protection provisions listed in § 24.1. above, provide that no employer subject to the provisions of the Federal statute of which these protective provisions are a part may discharge any employee or otherwise discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because the employee, or any person acting pursuant to the employee's request, engaged in any of the activities specified in subsection (b) below.

(b) Any person is deemed to have violated the particular federal law and these regulations if such person intimidates, threatens, restrains, coerces, blacklists, discharges, or in any other manner discriminates against any employee who has

(1) commenced, or caused to be commenced, or is about to commence or cause to be commenced a proceeding under one of the Federal statutes listed in § 24.1 or a proceeding for the administration or enforcement of any requirement imposed under such Federal statute; (2) testified or is about to testify in any such proceeding: or

(3) assisted or participated, or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of such Federal statute.

§ 24.3 Complaint

(a) Who may file. An employee who believes that he or she has been discriminated against by an employer in violation of any of the statutes listed in § 24.1(a) may file, or have another person file on his or her behalf, a complaint alleging such discrimination.

(b) *Time of filing.* Any complaint shall be filed within 30 days after the occurrence of the alleged violation. For the purpose of determining timeliness of filing, a complaint filed by mail shall be deemed filed as of the date of mailing.

(c) Form of complaint. No particular form of complaint is required, except that a complaint must be in writing and should include a full statement of the acts and omissions, with pertinent dates, which are believed to constitute the violation.

(d) Place of filing. A complaint may be filed in person or by mail with the Office of the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor. The address of the Administrator's office is Room S3502, 200 Constitution Avenue NW., Washington, D.C. 20210. A complaint may also be filed at any local office of the Wage and Hour Division. The address of such local offices may be found in local telephone directories.

§ 24.4 Investigations

(a) Upon receipt of a complaint under this part, the Administrator shall notify the person named in the complaint, and the appropriate office of the Federal agency charged with the administration of the affected program of its filing.

(b) The Administrator shall, on a priority basis, investigate and gather data concerning such case, and as part of the investigation may enter and inspect such places and records (and make copies thereof), may question persons being proceeded against and other employees of the charged employer, and may require the production of any documentary or other evidence deemed necessary to determine whether a violation of the law involved has been committed.

(c) Investigations under this part shall be conducted in a manner which protects the confidentiality of any person other than the complainant who provides information on a confidential basis, in accordance with Part 70 of this title.

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(d)(1) Within 30 days of the receipt of a compleint, the Administrator shall complete the investigation, determina whether the alleged violation has occurred, and give notice of the determination which shall contain a statement of reasons for the findings and conclusions therein. Notice of the determination shall be given by certiled mail to the complainant, the respondent, and to their representatives. At the same time the Administrator shail file with the Chief Administrative Law Judge, U.S. Department of Labor, the original complaint and a copy of the nutice of determination.

(2)(i) If on the basis of the investigation the Administrator determines that the complaint is without merit, the notice of determination shall include, or be accompanied by notice to the complainant that the notice of determination shall become the final order of the Secretary denying the complaint unless within five calendar days of its receipt the complainant files with the Chief Administrative Law Judge a request by telegram for a hearing on the complaint. The notice shall give the address of the Chief Administrative Law Judge.

(ii) Copies of any request for a hearing shall be sent by the complainant to the respondent (employer) and to the Administrator.

(3)(i) if on the basis of the investigation the Administrator determines that the alleged violation has occurred, the notice of determination shall include an appropriate order to abate the violation, and notice to the respondent that the order shall become the final order of the Secretary unloss within five calendar days of its receipt the respondent files with the Chief Administrative Law Judge a request by telegram for a hearing. An order issued pursuant to this subsection shall be in accordance with the relevant provisions of the statute violated. The notice shall give the address of the Chief Administrative Law Judge.

 (ii) Copies of any request for a hearing shall be sent by the respondent (employer) to the complainant and to the Administrator.

§ 24.5 Hearings.

(a) Notice of Hearing. The

administrative law judge to when the ense to stricted shall which seven calender days following receipt of the rement for hearing, notify the parties by certifie I mail directed to the last known address of the parties of a day, time and place a hearing. All parties shall be given at least five days notice of such

hearing. However, because of the time constraints imposed upon the Secretary by the above statutes, no requests for postponement shall be granted except for compelling reasons.

(b) Consolidated Hearings. When two or more hearings are to be held, and the same or substantially similar evidence is relevant and material to the matters at issue at each such hearing, the Chief Administrative Law Judge may, upon motion by any party or on his own or her own motion, order that a consolidated hearing be conducted. Where consolidated hearings are held, a single record of the proceedings shall be made and the evidence introduced in one case may be considered as introduced in the others, and a separate or joint decision shall be made, as appropriate.

(c) *Place of Hearing*. The hearing shall, where possible, be held at a place within 75 miles of the complainant's residence.

(d) Right to Coursel. In all proceedings under this part, the parties shall have the right to be represented by counsel.

(e) Procedures, evidence and record. (1) Evidence. Formal rules of evidence shall not apply, but rules or principles designed to assure production of the most probative evidence available shall be applied. The administrative law judge may exclude evidence which is immaterial, irrelevant, or unduly repetitious.

(2) Record of Hearing. All hearings shall be open to the public and shall be mechanically or stenographically reported. All evidence upon which the administrative law judge relies for decision shall be contained in the transcript of testimony, other directly or by appropriate reference. All exhibits and other pertinent documents or records, either in whole or in material part, introduced as evidence, shall be marked for identification and incorporated into the record.

(3) Oral argument: briefs. Any party, upon request, may be allowed a reasonable time for presentation of oral argument and to file a prehearing brief or other written statement of fact or law. A copy of any such prehearing brief or other written statement shall be filed with the Chief Administrative Law Judge or the administrative law judge assigned to the case before or during the proceeding at which evidence is submitted to the administrative law judge and shall be served upon each other party. Post-hearing briefs will not be permitted except at the request of the administrative law judge. When permitted, any such brief shall be limited to the issue or issues specified

by the administrative law judge and shall be due within the time prescribed by the administrative law judge.

(4) Dismissel for Cause. (i) The administrative law judge may, at the request of any party, or on his or her own motion, dismiss a claim

 (A) Upon the failure of the complainant or his or her representative to attend a hearing without good cause;

(B) Upon the failure of the complainant to comply with a lawful order of the administrative law judge.

(ii) In any case where a dismissal of a claims, defense, or party is sought, the administrative law judge shall issue an order to show cause why the dismissal should not be granted and afford all parties a reasonable time to respond to such order. After the time for response has expired, the administrative law judge shall take such action as is appropriate to rule on the dismissal, which may include an order dismissing the claim, defense or party.

§ 24.6 Decizions and orders.

(a) Recommended Decision. The administrative law judge shall issue a recommended decision within 20 days after the termination of the proceeding at which evidence was submitted. The recommended decision shall contain appropriate findings, conclusions and a recommended order and be forwarded, together with the record, to the Secretary of Labor for a final order. The recommended decision shall be served upon all parties to the proceeding.

(b) Final Order. (1) Within 90 days after receipt of a complaint, the Secretary of Labor shall issue a final order, based on the record and the recommended decision of the administrative law judge, which shall be served upon all of the parties.

(2) If the Secretary concludes that the party charged has violated the law, the final order shall order the party charged to take appropriate affirmative action to abate the violation, including reinstatement of the complainant to that person's former or substantially equivalent position, if desired, together with the compensation (including back pay), terms, conditions, and privileges of that employment. The Secretary may, where deemed appropriate, order the party charged to provide compensatory damages to the complainant.

(3) Costs. If such a final order is issued, the Secretary, at the request of the complainant, shall ascess against the respondent a sum equal to the aggregate amount of all costs and expenses (including atterney and expert witness fees) reasonably incurred by the complainant, as determined by the Secretary, for, or in connection with, the bringing of the complaint upon which the final order was issued.

(*) Distnissals. If the Secretary determines that the party charged has not violated the law, an order shall be issued denying the complaint.

§ 24.7 Judicial review.

(a) Within 60 days after the issuance of a final order under § 24.6, above, any person adversely affected or aggriaved by such order may file a petition for review of the order in the United States court of appeals for the circuit in which the violation with respect to which the order was issued allegedly occurred. The commencement of proceedings under this subsection shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(b) An order of the Secretary with respect to which review could have been obtained under subsection (a) shall not be subject to judicial review in any criminal or other civil proceeding.

(c) Certification of Record for Judicial Review. The record of a case, including the record of proceedings before the administrative law judge, shall be transmitted by the Secretary to the appropriate court pursuant to the rules of such court.

§ 24.8 Enforcement proceedings.

(a) Whenever a person has failed to comply with a final order issued by the Secretary of Labor under § 24.3, above, the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this section, the district courts shall have jurisdiction to grant to all appropriate relief including, but not limited to, injunctive relief, compensatory and exemplary damages.

(b)(1) Any person on whose behalf a final order was issued by the Secretary of Labor under § 24.6, above, may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

(2) The court, in issuing any final order under this section may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

(c) Any nondiscretionery duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of Title 28 of the United States Code.

§ 24.9 Exception.

This part shall have no application to any employee alleging activity prohibited by this part who, acting without direction from his or her employer (or the employer's agent), deliberately causes a violation of any requirement of a Federal statute listed in § 24.1, above.

Signed this 2nd day of January, 1980, at Washington, D.C. Ray Marshall, Secretary of Labor. (FR Doc. 80-587 Filed 1-7-60: 845 am) BILLING CODE (\$10-27-48