

AFFIRMATION VOTE

RELEASED TO THE PDR

RESPONSE SHEET

3/23/94

*[Handwritten initials]*

TO: SAMUEL J. CHILK, SECRETARY OF THE COMMISSION  
FROM: COMMISSIONER REMICK  
SUBJECT: SECY-94-038 - SUPPLEMENTAL ETHICS REGULATIONS

APPROVED  <sup>ref comment</sup> DISAPPROVED \_\_\_\_\_ ABSTAIN \_\_\_\_\_

NOT PARTICIPATING \_\_\_\_\_ REQUEST DISCUSSION \_\_\_\_\_

COMMENTS:

*I approve with the enclosed insert to page 4 of the draft FRN*

9403250083 940310  
PDR COMMS NRCC  
CORRESPONDENCE PDR

*[Handwritten Signature]*  
\_\_\_\_\_  
SIGNATURE

RELEASE VOTE

*10 Mar 94*  
\_\_\_\_\_  
DATE

WITHHOLD VOTE

ENTERED ON "AS" YES  NO \_\_\_\_\_

240030

*DFOZ*

The Commission has eliminated the requirement contained in 10 CFR 0.735-29 that employees who are subject to the security ownership restrictions certify each year that they are in compliance. Because the annual certifications have rarely revealed violations of the substantive restrictions, there is inadequate justification for continuing this requirement. However, to monitor compliance, the NRC will continue to require employees holding designated positions to certify compliance upon commencement of employment with the agency or upon promotion for the first time to a position covered by the security ownership restriction. Agency employees will also be required to report to the Office of the General Counsel in writing any prohibited securities obtained after the initial certification. This will permit the Office of the General Counsel to track required divestitures.

On the effective date of this regulation, the NRC will issue Management Directive 7.7 and its accompanying Handbook which lists those agency positions covered by the security ownership restrictions. The Handbook will also describe procedures for obtaining Certificates of Divestiture and waivers from the security ownership restrictions. Both the Management Directive and Handbook will be available at the NRC Public Document Room, 2120 L Street, NW, Washington, D.C. 200555-0001. Copies will also be available in each NRC Office.

Section 5801.103 Prior approval for outside employment

5 CFR 2635.803 authorizes individual agencies, by supplemental regulation, to require agency employees to obtain approval before engaging in outside employment or other outside activities. The NRC has long had the prior approval requirement, set forth in 10 CFR 0.735-40. Section 5801.103 of the final rule retains the requirement that NRC employees obtain prior written approval before engaging in outside employment with entities that are regulated by or have business with the Commission. [INSERT]

The agency designees for approval of outside employment and internal agency procedures for obtaining the necessary approvals will be set forth in NRC Management Directive 7.8 and the accompanying Handbook. This Directive and Handbook will be issued on the effective date of this regulation and will be available in the NRC Public Document Room and in each NRC Office.

**III. Repeal of Superseded Portions of the NRC Conduct Regulations and Related Modifications**

The final rule repeals the NRC conduct regulations 10 CFR 0.735-8, 0.735-29, and 0.735-40, effective on the same day that this rule takes effect. The information collection requirements

[Insert on page 4 of draft FRN]

The NRC's policy has been, and will continue to be, to encourage teaching, lecturing or writing not prohibited by 5 CFR 2635 or other applicable law.