

ADAMS Template: SECY-067

DOCUMENT DATE: 05/25/1993

TITLE: PR-0 - 58FR29951 - REPEAL OF NRC STANDARDS OF
CONDUCT REGULATION

CASE REFERENCE: PR-0
58FR29951

KEY WORD: RULEMAKING COMMENTS

Document Sensitivity: Non-sensitive - SUNSI Review Complete

STATUS OF RULEMAKING

PROPOSED RULE: PR-0 OPEN ITEM (Y/N) N
RULE NAME: REPEAL OF NRC STANDARDS OF CONDUCT REGULATION

PROPOSED RULE FED REG CITE: 58FR29951
PROPOSED RULE PUBLICATION DATE: 05/25/93 NUMBER OF COMMENTS:
ORIGINAL DATE FOR COMMENTS: / / EXTENSION DATE: / /

FINAL RULE FED. REG. CITE: 58FR29951 FINAL RULE PUBLICATION DATE: 05/25/93
NOTES ON SIGNED BY EDO AND ISSUED AS FINAL RULE. FILE LOCATED ON P1.
STATUS
OF RULE
TO FIND THE STAFF CONTACT OR VIEW THE RULEMAKING HISTORY PRESS PAGE DOWN KEY

HISTORY OF THE RULE

PART AFFECTED: PR-0
RULE TITLE: REPEAL OF NRC STANDARDS OF CONDUCT REGULATION

PROPOSED RULE PROPOSED RULE DATE PROPOSED RULE
SECY PAPER: SRM DATE: / / SIGNED BY SECRETARY: / /

FINAL RULE FINAL RULE DATE FINAL RULE
SECY PAPER: SRM DATE: / / SIGNED BY SECRETARY: 08/01/93

STAFF CONTACTS ON THE RULE

CONTACT1: L. MICHAEL RAFKY MAIL STOP: 15-G-18 PHONE: 504-1606
CONTACT2: MAIL STOP: PHONE:

DOCKET NO. PR-0
(58FR29951)

In the Matter of
REPEAL OF NRC STANDARDS OF CONDUCT REGULATION

DATE DOCKETED	DATE OF DOCUMENT	TITLE OR DESCRIPTION OF DOCUMENT
05/24/93	05/12/93	FEDERAL REGISTER NOTICE - FINAL RULE

Copy to Secretary
Original sent to the
Office of the Federal Register
for publication

DOCKET NUMBER
PROPOSED RULE **PR 0**
(58 FR 29951)

DOCKETED
USNRC

'93 MAY 24 10:51
[7590-01-p]

- rule making item -

NUCLEAR REGULATORY COMMISSION

OFFICE OF SECRETARY
DOCKETING & SERVICE
PLANNING

10 CFR Part 0

RIN 3150-AE65

Repeal of NRC Standards of Conduct Regulations

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations to repeal those delegations of authority and other miscellaneous regulations in 10 CFR Part 0 that are now contained in NRC internal Management Directives and Handbooks or are no longer necessary. These internal documents were issued following the promulgation of government-wide ethics regulations by the Office of Government Ethics (OGE). The new OGE regulations have largely supplanted NRC's own ethics regulations.

6/24/93

EFFECTIVE DATE: (30 days after publication in Federal Register)

FOR FURTHER INFORMATION CONTACT: L. Michael Rafky, Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone: 301-504-1606.

Pub 5/25/93

SUPPLEMENTARY INFORMATION:

Background

On August 7, 1992 (57 FR 35006), the Office of Government Ethics published its final rule establishing government-wide standards of conduct for executive branch employees. These regulations, which are codified at 5 CFR Part 2635, took effect on February 3, 1993, and supplanted a substantial portion of Nuclear Regulatory Commission standards of conduct regulations.

OGE asked the Commission to remove its internal procedures and delegations of authority from 10 CFR Part 0 and place them in internal agency documents. See 5 CFR § 2635.105 (1992). Having now issued the necessary Management Directives and Handbooks, NRC is deleting the applicable delegations of authority from, and other portions of, its remaining regulations in 10 CFR Part 0. Because NRC is required to delete those portions of 10 CFR Part 0 that have been superseded by OGE regulations, NRC finds, pursuant to 5 U.S.C. 553(b)(B), that there is good cause not to seek public comment on this rule, as such comment is unnecessary.

Environmental Impact: Categorical Exclusion

NRC has determined that this final rule is the type of action described in categorical exclusion 10 CFR 51.22(c)(1). Therefore, neither an environmental assessment nor an

environmental impact statement has been prepared for the final regulation.

Paperwork Reduction Act Statement

This final rule contains no information collection requirements and therefore is not subject to the requirements of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.).

Regulatory Analysis

The Nuclear Regulatory Commission is eliminating regulations that have been superseded by the Office of Government Ethics' government-wide standards of conduct regulations. This rule has no significant impact on health, safety or the environment. There is no substantial cost to licensees, NRC or other Federal agencies.

Backfit Analysis

NRC has determined that the backfit rule, 10 CFR 50.109, does not apply to this final rule and that a backfit analysis is not required for this final rule, because these deletions of regulations do not involve any provisions which would impose backfits as defined in 10 CFR 50.109(a)(1).

List of Subjects in 10 CFR Part 0

Conflict of interest, Criminal penalties.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended, and 5 U.S.C. 552 and 553, NRC is adopting the following amendments to 10 CFR Part 0.

PART 0 - CONDUCT OF EMPLOYEES

1. The authority citation for Part 0 is revised to read as follows:

Authority: Secs. 25, 161, 68 Stat. 925, 948, as amended (42 U.S.C. 2035, 2201); sec. 201, 88 Stat. 1242, as amended (42 U.S.C. 5841); E.O. 11222, 30 FR 6469, 3 CFR 1964-1965 COMP., p. 306; 5 CFR 735.104.

Sections 0.735-21 and 0.735-29 also issued under 5 U.S.C. 552, 553.

§ 0.735-3 [Removed]

2. Section 0.735-3 is removed.

3. Section 0.735-21 is revised to read as follows:

§ 0.735-21 Acts affecting a personal financial interest (based on 18 U.S.C. 208).

(a) *Exemption of remote or inconsequential financial interests.*

(1) In accordance with the provisions of 18 U.S.C. 208(b)(2), the NRC has exempted the following financial interests from 18 U.S.C. 208(a) upon the ground that such interests are too remote or too inconsequential to affect the integrity of its employees' services:

(i) Financial interests in an enterprise in the form of shares in the ownership thereof, including preferred and common stocks whether voting or nonvoting, and warrants to purchase such shares;

(ii) Financial interests in an enterprise in the form of bonds, notes, or other evidence of indebtedness;

(iii) Investments in State or local government bonds and investments in shares of a widely held diversified mutual fund or regulated investment company, except holdings in mutual investment funds or regulated investment companies dealing primarily in atomic energy stocks;

Provided, That in the case of paragraph (a)(1)(i) and (ii) of this section:

(A) The total market value of the financial interests described in said subdivisions with respect to any individual enterprise does not exceed \$1000; and

(B) The holdings in any class of shares, or bonds, or other evidences of indebtedness, of the enterprise do not exceed 1 percent of the dollar value of the outstanding shares, or bonds or other evidences of indebtedness in said class.

(2) Where a person covered by this exemption is a member of a group organized for the purpose of investing in equity or debt securities, the interest of such person in any enterprise in which the group holds securities shall be based upon said person's equity share of the holdings of the group in that enterprise.

(3) For purposes of paragraph (a)(1) of this section, computations of dollar value of financial interests in corporations shall be by means of:

(i) Market value in the case of stocks listed on national exchanges; or

(ii) Over-the-counter market quotations as reported by the National Daily Quotation Service in the case of unlisted stocks; or

(iii) By means of net book value (i.e. assets less liabilities) in the case of stocks not covered by the preceding two categories.

With respect to debt securities, face value shall be used for valuation purposes.

(4) The dollar value and percentage of financial interests listed above in paragraph (a)(1) of this section shall be computed as of the date on which the employee first participated

personally and substantially in any particular matter, within the meaning of 18 U.S.C. 208(a), relating to the enterprise concerned. The dollar value and percentage so computed shall govern during the entire period that the employee participates in the particular matter unless, after the date of computation, the employee, or other person or organization referred to in paragraph (a) of this section acquires an additional interest in the same enterprise. In the event of such subsequent acquisition, the dollar value and percentage shall be recomputed as of the date of the subsequent acquisition. If, as a result of the subsequent acquisition, the dollar value and percentage computed exceeds the limitations described in paragraph (a)(1) of this section, the general exemption provided therein shall no longer be applicable and an ad hoc exemption must be sought in accordance with the provisions of 18 U.S.C. 208(b)(1).

(b) Special exemption for special Government employees.

Federal Personnel Manual Chapter 735, Appendix C provides that a special Government employee should in general be disqualified from participating as such in a matter of any type the outcome of which will have a direct and predictable effect upon the financial interests covered by 18 U.S.C. 208. However, that chapter states that the power of exemption may be exercised in this situation "if the special Government employee renders advice of a general nature from which no preference or advantage over others might be gained by any particular person or organization." It is the policy of the Nuclear Regulatory

Commission in conformity with the foregoing to exercise the power of exemption pursuant to 18 U.S.C. 208(b) in such situations.

§ 0.735-22 [Removed]

4. Section 0.735-22 is removed.

§ 0.735-23 [Removed]

5. Section 0.735-23 is removed.

§ 0.735-26 [Removed]

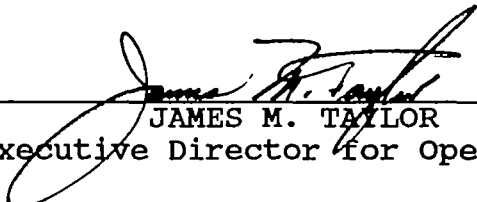
6. Section 0.735-26 is removed.

Annex A [Removed]

7. Annex A to 10 CFR Part 0 is removed.

Dated at Rockville, Maryland this 12th day of May, 1993.

For the Nuclear Regulatory Commission,



JAMES M. TAYLOR
Executive Director for Operations.