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**TITLE: PR-036,040 - 28FR04770 - GENERAL LICENSES FOR
CERTAIN EXPORTS OF BYPRODUCT MATERIAL AND
CERTAIN IMPORTS OF BYPRODUCT MATERIAL AND
SOURCE MATERIAL (MISCELLANEOUS AMENDMENTS)**

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TITLE 10 - ATOMIC ENERGY

CHAPTER I - ATOMIC ENERGY COMMISSION

PART 36 - EXPORT AND IMPORT OF BYPRODUCT MATERIAL

PART 40 - LICENSING OF SOURCE MATERIAL

General Licenses for Certain Exports of Byproduct Material
and Certain Imports of Byproduct Material and Source Material

On May 11, 1963, the Commission published for public comment proposed amendments of 10 CFR 30 and 10 CFR 40 which would simplify the Commission's licensing requirements with regard to the export of byproduct material and import of byproduct and source material. The Commission has decided to adopt the proposed amendments, with the changes discussed below, as an effective rule. Part 30 has been recodified since this proposed rule was published on May 11, 1963, and the proposed amendments of Part 30 will appear in a new Part 36, "Export and Import of Byproduct Material".

The amendments will permit exports of byproduct material under the Commission's general licenses in Part 36 if the exporter is licensed by the Commission or an agreement State^{1/} to possess byproduct material in the United States. The amendments of Parts 36 and 40 will establish general licenses for import of byproduct material and source material where the importer

^{1/} A State to which the Commission has transferred certain regulatory authority over radioactive material by formal agreement, pursuant to section 274 of the Atomic Energy Act of 1954, as amended.

is authorized to possess the byproduct material or source material involved under a specific or general license issued by an agreement State. It is unnecessary for the general licenses authorizing import to extend to byproduct materials covered by licenses issued by the Commission. Except as otherwise provided in the license, a Commission license to possess byproduct or source material carries with it the right to import such material (10 CFR Part 30, § 30.34(c)).

The text of the following amendments is, with three changes, essentially the same as the text of the proposed amendments set forth in the Notice of Proposed Rule Making. The amendment of paragraph (c) of § 30.33 has been eliminated since that paragraph was revoked by the Commission effective July 14, 1964 (29 FR 9529). The text of § 30.33(b) [New § 36.21] has been revised to reference the list of countries in § 36.50, Schedule A, rather than referencing ". . . Cuba or countries or areas now or hereafter listed as Subgroup A countries or destinations in § 371.3 of the Comprehensive Export Schedule of the United States Department of Commerce (15 CFR 371.3)." The term "Subgroup A countries" is no longer used in the export regulations of the Department of Commerce. The words, "an exemption or", have been deleted in §§ 30.39 [New § 36.31] and 40.24, so that the general licenses authorizing persons in an agreement State to import the material extend only to persons authorized to possess the material under a specific or general license issued by the State. The general licenses would not apply to persons exempt from licensing in an agreement State. The purpose of the changes in

the proposed amendments concerning §§ 36.31 and 40.24 is to assure that persons in agreement States and non-agreement States will be accorded comparable treatment.

Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, the following amendments of 10 CFR Parts 36 and 40 are published as a document subject to codification to be effective thirty days after publication in the FEDERAL REGISTER.

1. Section 36.21 of 10 CFR Part 36 is amended to read as follows:

§ 36.21 Export of certain byproduct material to countries other than Schedule A countries.

A general license designated AEC-GL-3621 is hereby issued authorizing any licensee of the Commission or of an agreement State to export from the United States byproduct material covered by his license having an atomic number from 3 to 83, inclusive, or tritium when contained in luminous safety devices installed in aircraft as generally licensed items pursuant to § 31.7 of this chapter, to any foreign country except countries or destinations listed in § 36.50, Schedule A.

2. The first sentence of § 36.22(a) of 10 CFR Part 36 is amended to read as follows:

36.22 Export of certain quantities of tritium and polonium 210.

(a) A general license designated AEC-GL-3622 is hereby issued authorizing any licensee of the Commission or of an agreement State to export from the United States to any

foreign country except Poland or Rumania or countries or destinations listed in § 36.50, Schedule A, 5,000 curies of uranium and 5,000 curies of polonium 210 in a calendar quarter.

3. A new § 36.31 is added to 10 CFR Part 36 to read as follows:

36.31 General license for import.

A general license is hereby issued authorizing any person to import into the United States byproduct material which he is authorized to possess in the United States under a specific or general license issued by an agreement State.

4. A new paragraph (m) is added to § 40.4 of 10 CFR Part 40 to read as follows:

§ 40.4 Definitions

* * * * *

(m) "Agreement State" means any State with which the Commission has entered into an effective agreement under subsection 274b. of the Atomic Energy Act of 1954, as amended.

5. A new § 40.24 is added to 10 CFR Part 40 to read as follows:

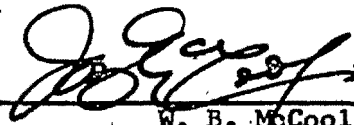
§ 40.24 General license for import.

A general license is hereby issued authorizing any person to import into the United States source material which he is authorized to possess in the United States under a specific or general license issued by an agreement State.

AUTHORITY: Issued under sec. 161, 68 Stat. 948; 42 U.S.C. 2201. Interpret or apply secs. 81, 82, 68 Stat. 935; 42 U.S.C. 2111, 2112.

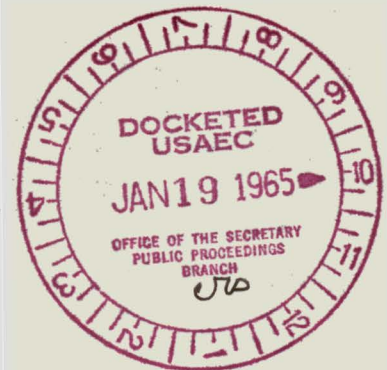
Dated at Washington, D. C., this 29th day of November, 1965.

FOR THE ATOMIC ENERGY COMMISSION



W. B. McCool
Secretary

JAN 15 1965



Honorable Thomas G. Morris
House of Representatives

Dear Mr. Morris:

This letter is to confirm our telephone conversation of December 14, 1964, regarding a proposed amendment of 10 CFR 40 which was published in the Federal Register on May 11, 1963. This amendment proposed the issuance of a general license for importation of source material by persons authorized to possess and use such material pursuant to licenses issued by a State which has entered into an agreement with the Commission under section 274 of the Atomic Energy Act of 1954, as amended. This general license for import of source material would be an extension of the general license which exists under the Commission's present regulations with respect to persons licensed by the Commission to possess and use source material.

Your letter of May 23, 1963, questioned the possible impact of the proposed general license when considered in connection with the legislation for private ownership-enrichment tolling which was under consideration at that time.

The possible effect of imports of uranium on the domestic uranium industry was considered by the Joint Committee on Atomic Energy during hearings prior to passage of the Private Ownership of Special Nuclear Materials Act (Public Law 88-489), which became law on August 26, 1964. Section 16 of this Act added a new subsection 161 v. to the Atomic Energy Act, authorizing the Commission to enter into contracts for producing special nuclear material from privately owned source material as well as enriching privately owned special nuclear material.

The new subsection 161 v. also provides that, "...the Commission, to the extent necessary to assure the maintenance of a viable domestic uranium industry, shall not offer such [enrichment] services for source or special nuclear materials of foreign origin intended for use in a utilization facility within or under the jurisdiction of the United States."

Mr. Morris

- 2 -

JAN 15 1965

In view of the quoted and other provisions of the new law designed to assure the maintenance of a viable domestic uranium industry, I believe that the questions raised in your letter of May 23, 1963, have been resolved by passage of the Private Ownership of Special Nuclear Materials Act.

Sincerely yours,

(signed) Harold L. Price

Harold L. Price
Director of Regulation

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TITLE 10 - ATOMIC ENERGY

CHAPTER I - ATOMIC ENERGY COMMISSION

PART 30 - LICENSING OF BYPRODUCT MATERIAL

PART 40 - LICENSING OF SOURCE MATERIAL

GENERAL LICENSES FOR CERTAIN EXPORTS OF BYPRODUCT MATERIAL
AND CERTAIN IMPORTS OF BYPRODUCT MATERIAL AND SOURCE MATERIAL

NOTICE OF PROPOSED RULE MAKING

The following proposed amendments of Parts 30 and 40 of the Commission's regulations are intended to revise the Commission's licensing requirements with regard to the export of byproduct material and import of byproduct material and source material.

Under the present provisions of §30.33 persons licensed by the Commission to possess and use byproduct material also may export such byproduct material pursuant to the general licenses in §30.33(b), (c), and (d). A person holding a license to possess and use byproduct material issued by a state with which the Commission has entered into an agreement under subsection 274b of the Atomic Energy Act is not authorized to export under the Commission's general licenses in §§30.33(b) and 30.33(c) because he is not a licensee of the Commission.

The following proposed amendment would permit exports under the Commission's general licenses in §30.33 if the exporter is licensed by the Commission or an agreement State to possess byproduct material in the United States. It is to be emphasized in this regard that the general licenses in §30.33 only authorize export of byproduct material and do not constitute authorization to possess and use byproduct material in the United States. The appropriate general license symbol should be placed on the shipper's export declaration. For example, "AEC-GRO-BMB" should be placed on the export declaration if the exporter is exporting byproduct material pursuant to the general license in paragraph 30.33(b) of 10 CFR 30.

The proposed amendments also would establish general licenses for import of byproduct material and source material. By virtue of the provisions of §§30.32(c) and 40.41(c), Commission licenses to possess byproduct material or source material include authorization to import the material. However, a specific import license issued by the Commission is necessary if the importer does not hold a Commission license to possess the byproduct material or the source material in the United States. Thus, a person licensed by an agreement State to possess and use byproduct material or source material is required to obtain a specific Commission license if he desires to import the material.

The proposed amendments would establish general licenses for import of byproduct material and source material where the importer is authorized to possess the byproduct material or source material involved under an exemption or a specific or general license issued by an agreement State.

It is unnecessary for the proposed general licenses authorizing import to extend to licenses for byproduct or source material issued by the Commission. Except as otherwise provided in the license, a license issued pursuant to 10 CFR 30 or 10 CFR 40 carries with it the right to import the byproduct material or source material.

The section of the Commission's regulations entitled "Persons Possessing Byproduct Material on Effective Date of Regulations in This Part," published in the Federal Register as §30.40 and codified in Title 10, Code of Federal Regulations, Part 30, as §30.39, no longer serves a useful purpose and would be revoked.

Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, notice is hereby given that adoption of the following amendments of 10 CFR 30 and 10 CFR 40 is contemplated. All interested persons who desire to submit written comments or suggestions in connection with the proposed amendments should send them to the Secretary, United States Atomic Energy Commission, Washington 25, D. C., within 30 days after publication of this notice in the Federal Register. Comments received after that period will be considered if it is practicable to do so, but assurance of consideration cannot be given except as to comments filed within the period specified.

1. Paragraph 30.33(a) of 10 CFR 30 is amended by deleting the word "licensee" and substituting therefor the word "person". As amended §30.33(a) reads as follows:

"(a) No person shall export byproduct material from the United States except as authorized pursuant to this section."

2. Paragraph 30.33(b) of 10 CFR 30 is amended to read as follows:

"(b) A general license, designated AEC-GRO-BMB, is hereby issued authorizing any licensee of the Commission or of an agreement State to export from the United States byproduct material having an atomic number from 3 to 83, inclusive, or tritium when contained in a luminous safety device installed in aircraft and distributed

as a generally licensed item pursuant to §30.24(j), to any foreign country except Cuba or countries or areas now or hereafter listed as Subgroup A countries or destinations in §371.3 of the Comprehensive Export Schedule of the United States Department of Commerce (15 CFR 371.3)."

3. Paragraph 30.33(c) of 10 CFR 30 is amended to read as follows:

"(c) A general license designated AEC-GRO-BMC is hereby issued authorizing any licensee of the Commission or of an agreement State to export from the United States byproduct material having an atomic number from 3 to 83, inclusive, to Cuba to the extent that the byproduct material is contained in medicinals or pharmaceutical preparations or in devices, applicators, or appliances designed for use in medical diagnosis or therapy."

4. The first sentence of paragraph 30.33(d) of 10 CFR 30 is amended to read as follows:

"(d) A general license designated AEC-GRO-BMD is hereby issued authorizing any licensee of the Commission or of an agreement State to export from the United States to any countries or destinations not listed in §30.75 Schedule E, 5000 curies of tritium and 5000 curies of Polonium 210 in a calendar quarter."

5. The section of the Commission's regulations entitled "Persons Possessing Byproduct Material on Effective Date of Regulations in This Part," published in the Federal Register as §30.40 and codified in Title 10, Code of Federal Regulations, Part 30, as §30.39, is revoked.

6. The following new section 30.39 is added to 10 CFR 30:

"30.39 General License for Import. A general license is hereby issued authorizing any person to import into the United States byproduct material which he is authorized to possess in the United States under an exemption or a specific or general license issued by an agreement state."

7. The following new paragraph (m) is added to section 40.4 of 10 CFR 40:

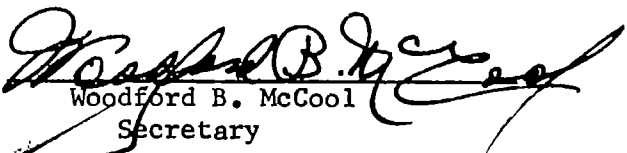
"(m) 'Agreement State' means any State with which the Commission has entered into an effective agreement under subsection 274(b) of the Atomic Energy Act of 1954, as amended."

8. The following new section 40.24 is added to 10 CFR 40:

"40.24 General License for Import. A general license is hereby issued authorizing any person to import into the United States source material which he is authorized to possess in the United States under an exemption or a specific or general license issued by an agreement state."

Dated at Germantown, Maryland, this 17th day of April,
1963.

FOR THE ATOMIC ENERGY COMMISSION


Woodford B. McCool
Secretary

THOMAS G. MORRIS
AT LARGE—NEW MEXICO

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DOCUMENT NUMBER

PETITION RULE

40.24
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MEMBER:
INTERIOR AND INSULAR AFFAIRS
COMMITTEE
SCIENCE AND ASTRONAUTICS
COMMITTEE
JOINT COMMITTEE ON
ATOMIC ENERGY

Congress of the United States
House of Representatives
Washington, D. C.

May 23, 1963

Dr. Glenn T. Seaborg
Chairman
U. S. Atomic Energy Commission
Washington 25, D. C.

Dear Mr. Chairman:

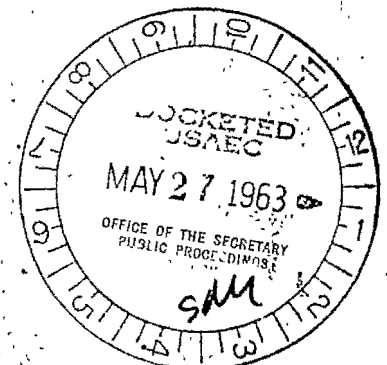
I noted in the May 11, 1963 Federal Register, page 4771 a proposed General License provision 40.24, which would automatically allow the import of source material by virtue of an authorization to possess material in the United States.

Whether intended or not, this is a subject which could be very closely tied to the pending private ownership-enrichment tolling legislation which has been sent to Congress by the Commission. The importance of this legislation and what would appear to be the importance of the impact of this general provision would seem to dictate deferring the adoption of 40.24 until after the private ownership and tolling legislation has been examined by Congress. Therefore, I am officially requesting deferment of the provision.

Sincerely yours,



THOMAS G. MORRIS



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