



NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs

Telephone: 301/415-8200

Washington, D.C. 20555-0001

E-mail: opa@nrc.gov

Site: <http://www.nrc.gov>

No. 08-059

March 18, 2008

INDEPENDENT EXTERNAL REVIEW PANEL RECOMMENDS CHANGES TO NRC'S MATERIALS LICENSING PROCESS

The Nuclear Regulatory Commission's Independent External Review Panel has recommended several changes to the NRC's process for granting licenses to possess radioactive materials aimed at eliminating vulnerabilities that could be exploited by terrorists or other adversaries.

The panel was chartered last October as part of the NRC's response to a Government Accountability Office report that identified several vulnerabilities in the agency's materials licensing process. GAO investigators were able to obtain an NRC materials license under fraudulent pretexts and then alter the license in order to procure radioactive materials in excess of the amounts authorized by the license.

The panel's report and recommendations were presented today to the Commission in a public briefing.

"Security of radioactive materials is of primary importance to the NRC," said Commission Chairman Dale E. Klein. "We welcome the panel's recommendations as part of our continuing effort to strengthen our licensing process."

The panel's report contains a series of observations and recommendations for the NRC and its 34 Agreement States to improve their process for granting radioactive materials licenses. Those recommendations include, but are not limited to, the following:

- Suspend the "good faith presumption" that new applicants or licensees seeking significant increases in their possession limits for radioactive materials are honest, perform site visits to a new applicant's facilities before issuing a license, and conduct background checks on key personnel.
- Review publicly available licensing guidance to identify and remove information that might be helpful to an adversary seeking to exploit the process.
- Integrate the NRC's Web-Based Licensing System and the National Source Tracking System, both now under development, and include a mechanism for licensees and vendors to enter real-time information on transfers of radioactive materials.

- Develop detailed physical security requirements for licensees who possess risk-significant radioactive materials.
- Give security equal billing to health and safety when training NRC or Agreement State licensing officers, so that license reviewers are trained to recognize a malevolent applicant.

The Independent External Review Panel was chaired by Thomas E. Hill, former director of the Georgia Radiation Control Program, and included Benjamin Nerud of the Defense Threat Reduction Agency and Dr. Michael Ryan, chairman of the NRC's Advisory Committee on Nuclear Waste & Materials.

The panel's report is available through the NRC's ADAMS document system at <http://www.nrc.gov/reading-rm/adams/web-based.html> by entering access number ML080700957.

###

News releases are available through a free *listserv* subscription at the following Web address: <http://www.nrc.gov/public-involve/listserver.html>. The NRC homepage at www.nrc.gov also offers a SUBSCRIBE link. E-mail notifications are sent to subscribers when news releases are posted to NRC's Web site.