

February 15, 2000

Robert F. Carretta, MD
President
Society of Nuclear Medicine
1850 Samuel Morse Drive
Reston, VA 20190-5316

Dear Dr. Carretta:

I am responding to your letter of January 18, 2000, to Chairman Meserve, concerning the Draft Policy and Guidance Directive PG 83-2, Revision 1, Supplement 1, "Renewal of Materials Licenses" (hereafter referred to as Supplement 1). This document was finalized on December 29, 1999 (Enclosure 1) after incorporation of Agreement State comments.

You expressed concerns that Supplement 1: (1) was written in contrast to the business process redesign and Internet posting processes; (2) creates a two-tiered licensing system; and (3) is a "desk drawer" rule. With respect to the first concern, Supplement 1 was developed by using the internal Nuclear Regulatory Commission (NRC) Business Process Redesign process. We will be including the Supplement 1 guidance in NUREG 1556, Volume 20, "Administrative Licensing Procedures." Volume 20 will be developed this year, and the public will be provided with an opportunity to review and comment on it. We issued Supplement 1 internally prior to development of Volume 20 because we needed to provide for efficient use of staff resources to handle the increase in expected renewal applications beginning in FY 2000.

With respect to your second and third concerns, Supplement 1 does not announce a new policy, nor is it a "desk drawer" rule. Rather, Supplement 1 implements policies issued by the Commission on February 6, 1997 (62 FR 5656) (Enclosure 2) and June 10, 1998 (63 FR 31607) (Enclosure 3) which provide for issuing materials licenses for a period of up to 10 years. In its 1998 action, the Commission specifically removed license term requirements applicable to medical use licensees from 10 CFR 35.18. The Commission also gave notice that the NRC

could issue licenses for a shorter term, depending on the individual circumstances of the license applicant. Further, NRC expects the majority of its material licensees to have 10 year license terms.

We trust that this letter clarifies our position with respect to your concerns.

Sincerely,

/RA/Josephine Piccone, for
Donald A. Cool, Director
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards

Enclosures:

- 1. P&GD 83-2, Rev. 1, Supplement 1
- 2. Notice issued by the Commission on February 6, 1997 (62 FR 5656)
- 3. Final Rule issued by the Commission on June 10, 1998 (63 FR 31607)

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