

September 19, 2016

Mr. David C. Trimble, Director  
Natural Resources and Environment  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, DC 20548

Dear Mr. Trimble:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing to describe the actions planned in response to the recommendations identified in the U.S. Government Accountability Office's (GAO) report entitled "NRC Has Enhanced the Controls of Dangerous Radioactive Materials, but Vulnerabilities Remain (GAO-16-330)," published on July 15, 2016.

In the report, the GAO recommended that the NRC take the following three actions:

- Take the steps needed to include Category 3 sources in the National Source Tracking System (NSTS) and add Agreement State Category 3 licenses to the Web-based Licensing System as quickly as reasonably possible.
- At least until such time that Category 3 licenses can be verified using the License Verification System, require that transferors of Category 3 quantities of radioactive materials confirm the validity of a would-be purchaser's radioactive materials license with the appropriate regulatory authority before transferring any Category 3 quantities of licensed materials.
- As part of the ongoing efforts of the NRC working groups meeting to develop enhancements to the pre-licensing requirements for Category 3 licenses, consider requiring that an on-site security review be conducted for all unknown applicants for Category 3 licenses to verify that each applicant is prepared to implement the required security measures before taking possession of licensed radioactive materials.

As noted in the GAO report, the Commission was evenly divided in 2009 when it considered whether to require tracking of Category 3 sources in the NSTS. In revisiting this issue, the Commission would have to decide whether there would be sufficient safety and security benefit. To that end, NRC has formed two NRC/Agreement State working groups in response to issues raised by GAO. These working groups are evaluating and developing options for enhancing the current pre-licensing guidance, and license verification and transfer requirements for Category 3 licensees. The working groups will complete their analysis and provide recommendations to the Commission for consideration later this year. The analysis and recommendations from these efforts will be considered by the Commission for incorporation into the NRC's regulatory requirements and processes.

The NRC will continue to pursue potential enhancements to the licensing processes for radioactive materials to ensure their safe and secure use and that they will be used for their intended purpose. We will also continue to collaborate on these efforts with our Agreement State partners to ensure a strong National Materials Program.

If you should have any questions regarding the NRC's planned actions in response to the recommendations, please contact Mr. John R. Jolicoeur by phone at 301-415-1642, or e-mail at [John.Jolicoeur@nrc.gov](mailto:John.Jolicoeur@nrc.gov).

Sincerely,

*/RA/*

Stephen G. Burns

cc: Edwin C. Woodward

**Identical letter sent to:**

Mr. David C. Trimble, Director  
Natural Resources and Environment  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, DC 20548  
cc: Edwin C. Woodward

The Honorable Shelley Moore Capito  
Chairman, Subcommittee on Clean Air  
and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510  
cc: Senator Thomas R. Carper

The Honorable Fred Upton  
Chairman, Committee on Energy and  
Commerce  
United States House of Representatives  
Washington, DC 20515  
cc: Representative Frank Pallone, Jr.

The Honorable Ed Whitfield  
Chairman, Subcommittee on Energy  
and Power  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, DC 20515  
cc: Representative Bobby L. Rush

The Honorable John Shimkus  
Chairman, Subcommittee on Environment  
and the Economy  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, DC 20515  
cc: Representative Paul Tonko

The Honorable James M. Inhofe  
Chairman, Committee on Environment  
and Public Works  
United States Senate  
Washington, DC 20510  
cc: Senator Barbara Boxer

The Honorable Jason Chaffetz  
Chairman, Committee on Oversight  
and Government Reform  
United States House of Representatives  
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cc: Representative Elijah E. Cummings

The Honorable Ron Johnson  
Chairman, Committee on Homeland  
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