



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 11, 2023

Allison Bawden, Director
Natural Resources and Environment
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Director Bawden:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing to describe our actions in response to the recommendations identified in the U.S. Government Accountability Office's (GAO) report entitled "Preventing a Dirty Bomb: Vulnerabilities Persist in NRC's Controls for Purchases of High-Risk Radioactive Materials (GAO-22-103441)," published July 14, 2022, as well as the status of our related activities.

- GAO Recommendation 1: The Chairman of NRC should immediately require that vendors verify Category 3 licenses with the appropriate regulatory authority.

NRC Action: In December 2021, the Commission directed the NRC staff to conduct a rulemaking to require specific means for licensees to verify the licensing status of any entity seeking to acquire Category 3 quantities of radioactive materials. The staff accelerated this rulemaking, and the Commission is currently deliberating on a draft proposed rule. In addition, we will continue to explore other options for expeditiously addressing the issues identified by the GAO.

The NRC staff also continues to engage licensees and Agreement States on the issues identified by this GAO investigation. The NRC staff issued a communication to its manufacturer and distributor licensees and Agreement State regulators to ensure that they are aware of the issues identified by GAO and remind them of ways to identify fraudulent licenses. The NRC staff also reminded licensees that under current requirements they can contact the regulator (either the NRC or Agreement State, as appropriate) to verify that a license holder can receive radioactive material under the terms of its license. In addition, the NRC staff contacted industry trade associations for source producers to discuss the GAO recommendations and encouraged the trade associations to proactively engage their member companies. We will continue to engage with all relevant stakeholders on their responses to our communications and the findings of this GAO audit.

- GAO Recommendation 2: The Chairman of NRC should add security features to its licensing process to improve its integrity and make it less vulnerable to altering or forging licenses. These security features could include multifactor authentication or moving away from paper licenses to electronic-based licensing.

NRC Action: As part of the ongoing rulemaking process, the NRC will develop additional guidance to regulators and licensees to reduce the potential for use of altered or counterfeited licenses to purchase Category 3 radioactive sources. The NRC is also exploring the specific methods suggested by GAO.

The NRC closely monitors the threat environment and regularly engages with the intelligence community, law enforcement, and other Federal agencies. The NRC will react promptly if conditions in the threat environment warrant.

If you have any questions or need additional information, please contact me or have your staff contact John Jolicoeur, Executive Technical Assistant, Office of the Executive Director for Operations, at (301) 415-1642 or by email at John.Jolicoeur@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "C. T. Hanson". The signature is fluid and cursive, with the first name "C" being a large loop and "T." being a smaller loop. The last name "Hanson" is written in a more standard cursive style.

Christopher T. Hanson

cc: Edwin Woodward

Identical letter sent to:

Allison Bawden, Director
Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548
cc: Edwin Woodward

The Honorable Shalanda Young
Director, Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Chair, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510
cc: Committee Ranking Member

Chair, Committee on Oversight
and Accountability
United States House of Representatives
Washington, DC 20515
cc: Committee Ranking Member

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

Chair, Committee on Energy
and Commerce
United States House of Representatives
Washington, DC 20515
cc: Committee Ranking Member

Chair, Committee on Appropriations
United States House of Representatives
Washington, DC 20515
cc: Committee Ranking Member

Chair, Committee on Appropriations
United States Senate
Washington, DC 20510
cc: Committee Ranking Member