

(SP-98-038, May 1998, Other, FBI)
DATED: MAY 5, 1998

SIGNED BY: RICHARD L. BANGART

ALL AGREEMENT STATES AND NON-AGREEMENT STATES

TRANSMITTAL OF STATE AGREEMENTS PROGRAM INFORMATION (SP-98-038)

Your attention is invited to the enclosed correspondence which contains:

INCIDENT AND EVENT INFORMATION.....

PROGRAM MANAGEMENT INFORMATION....

TRAINING COURSE INFORMATION.....

TECHNICAL INFORMATION.....

OTHER INFORMATION..... XX EXPANSION OF FEDERAL
BUREAU OF INVESTIGATION (FBI)
CRIMINAL INVESTIGATIVE
JURISDICTION TO INCLUDE
BYPRODUCT MATERIALS

Supplementary Information: This letter is to advise you of a change to Title 18 of the U.S. Code regarding criminal activity involving nuclear byproduct material. Title 18, Chapter 39, "Explosives and Other Dangerous Articles," Section 831, "Prohibited Transactions Involving Nuclear Materials," provides, in part, punishment for whoever without lawful authority, intentionally receives, possesses, uses, transfers, alters, disposes of, or disperses any nuclear material or nuclear byproduct material (emphasis added), or for whoever with intent to deprive another of nuclear material or nuclear byproduct material, knowingly makes an unauthorized use, disposition, or transfer, of nuclear material or nuclear byproduct material belonging to another, or uses fraud and thereby obtains nuclear material or nuclear byproduct material belonging to another. As noted in the enclosed NRC Information Notice 98-06, as a result of the unauthorized use of an institution's materials license, an individual was arrested and charged with one count of wire fraud and four counts under the revised Title 18. Subsequently, the individual pleaded guilty and was sentenced to a four year prison term.

The incident described above did not present a threat to public health and safety, but raises concerns and highlights an important point regarding the criminal use of radioactive materials. Section 831 of Chapter 39 of Title 18 of the U.S. Code represents a significant expansion of the Federal Bureau of Investigation (FBI) jurisdiction to initiate criminal investigations and pursue prosecutions when radioactive materials are involved. This authority applies to, among other things, reactor or accelerator-produced radioactive materials.

You should be aware that licenses and radioactive materials could be intentionally used in an unauthorized and malevolent manner that could lead to serious consequences and could result in prosecution under Federal criminal law. In instances involving the suspected criminal misuse of nuclear material and byproduct material, such as characterized above, your notification of the FBI is warranted. However, the U.S. Attorney's office and the FBI will determine whether or not a criminal investigation is to be conducted by the FBI or deferred to State or local authorities for investigation and prosecution. A list of FBI contacts is enclosed for your information and use for reporting such instances.

If you have any questions or comments, please contact me or the individual named below.

POINT OF CONTACT:	John Davidson
TELEPHONE:	(301) 415--8130
FAX:	(301) 415-5370 or -5390
INTERNET:	JJD@NRC.GOV

Richard L. Bangart, Director
Office of State Programs

Enclosures:

1. NRC Information Notice 98-06
2. FBI Contact List

UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR REACTOR REGULATION
WASHINGTON, D.C. 20555-0001

February 19, 1998

NRC INFORMATION NOTICE 98-06: UNAUTHORIZED USE OF LICENSE TO OBTAIN
RADIOACTIVE MATERIALS, AND ITS IMPLICATIONS
UNDER THE EXPANDED TITLE 18 OF THE U.S. CODE

Addressees

All NRC licensees authorized to possess licensed material.

Purpose

The U.S. Nuclear Regulatory Commission (NRC) is issuing this information notice to alert addressees to an incident involving unauthorized use of a broad-scope academic medical license to obtain radioactive materials and the subsequent criminal investigation of the incident under revised Title 18 of the U.S. Code. It is expected that recipients will review the information for applicability to their facilities and consider actions, as appropriate, to avoid similar problems. However, suggestions contained in this information notice are not NRC requirements, and no specific action or written response is required.

Description of Circumstances

An unauthorized individual, who presented himself as an author doing research and as a guest of the institution, asked a staff member of the institution's radiation safety office for the institution's broad-scope academic medical license so that he could examine it. Apparently, the individual made a copy of part of the license and used it to order at least 2 radioactive sources (74 to 185 mega-becquerels [2 to 5 millicuries] of cadmium-109 and 185 mega-becquerels [5 millicuries] of sodium-22) from a broker. The unauthorized individual apparently waited for the delivery truck and took possession of the first source when it was delivered. The individual has indicated that the first source was transported to a foreign country by an associate. When the second source was delivered, an institution staff member observed the radioactive label and told the individual he must take the package to the radiation safety officer (RSO) for processing. After the individual took the second source to the RSO, the RSO became suspicious and the unauthorized purchases were detected. It was subsequently determined that the individual had a history of criminal activity. As a result of his unauthorized use of the institution's license, the individual was arrested and charged with one count of wire fraud and four counts under the revised Title 18 of the U.S. Code, Chapter 39, "Explosives and Other Dangerous Articles," Section 831, "Prohibited Transactions Involving Nuclear Materials." Section 831 provides, in part, punishment for whoever without lawful authority, intentionally receives, possesses, uses, transfers, alters, disposes of, or disperses any nuclear material or nuclear byproduct material (emphasis added), or for whoever with intent to deprive another of nuclear material or nuclear byproduct material, knowingly makes an unauthorized use, disposition, or transfer, of nuclear material or nuclear byproduct material belonging to another, or uses fraud and thereby obtains nuclear material or nuclear byproduct material belonging to another.

Discussion

Although licenses issued by the NRC and Agreement States are not protected as classified or Safeguards Information, or by physical protection measures, the above incident identifies a clear need to be sensitive to potentially inappropriate uses being made of their materials licenses. The incident described above did not present a threat to public health and safety, but raises concerns and highlights an important point regarding the criminal use of radioactive materials. Section 831 of Chapter 39 of Title 18 of the U.S. Code represents a significant expansion of Federal Bureau of Investigation jurisdiction to initiate criminal investigations and pursue prosecutions when radioactive materials are involved. The above-cited incident called for the use of this newly expanded jurisdiction.

Addressees should be aware that licenses and radioactive materials could be intentionally used in an unauthorized manner that could lead to serious consequences and could result in prosecution under Federal criminal law.

This information notice requires no specific action or written response. If you have any questions about the information in this notice, please contact the technical contact listed below.

/s/'d by

Elizabeth Q. Ten Eyck, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

/s/'d by

Jack W. Roe, Acting Director
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

Technical contact: John Davidson, NMSS
(301) 415-8130
E-Mail: jjd@nrc.gov

FBI Field Offices

Addresses and Telephone Numbers

56 locations in major U.S. cities and Puerto Rico

ALABAMA

Federal Bureau of Investigation
Room 1400
2121 8th. Avenue N.
Birmingham, Alabama 35203
(205) 252-7705

Federal Bureau of Investigation
One St. Louis Centre
1 St. Louis Street, 3rd. Floor
Mobile, Alabama 36602
(334) 438-3674

ALASKA

Federal Bureau of Investigation
101 East Sixth Avenue
Anchorage, Alaska 99501
(907) 258-5322

ARIZONA

Federal Bureau of Investigation
Suite 400
201 East Indianola Avenue
Phoenix, Arizona 85012
(602) 279-5511

ARKANSAS

Federal Bureau of Investigation
Suite 200
Two Financial Centre
10825 Financial Centre Parkway
Little Rock, Arkansas 72211-3552
(501) 221-9100

CALIFORNIA

Federal Bureau of Investigation
Suite 1700, FOB
11000 Wilshire Boulevard
Los Angeles, California 90024
(310) 477-6565

Federal Bureau of Investigation
4500 Orange Grove Avenue
Sacramento, California 95841-4205
(916) 481-9110

Federal Bureau of Investigation
Federal Office Building
9797 Aero Drive
San Diego, California 92123-1800
(619) 565-1255

Federal Bureau of Investigation
450 Golden Gate Avenue, 13th. Floor
San Francisco, California 94102-9523
(415) 553-7400

COLORADO

Federal Bureau of Investigation
Federal Office Building, Suite 1823
1961 Stout Street, 18th. Floor
Denver, Colorado 80294
(303) 629-7171

CONNECTICUT

Federal Bureau of Investigation
Room 535, FOB
150 Court Street
New Haven, Connecticut 06510
(203) 777-6311

FLORIDA

Federal Bureau of Investigation
Suite 200
7820 Arlington Expressway
Jacksonville, Florida 32211
(904) 721-1211

Federal Bureau of Investigation
16320 Northwest Second Avenue
North Miami Beach, Florida 33169
(305) 944-9101

Federal Bureau of Investigation
Room 610, FOB
500 Zack Street
Tampa, Florida 33602
(813) 273-4566

GEORGIA

Federal Bureau of Investigation
Suite 400
2635 Century Parkway, Northeast
Atlanta, Georgia 30345
(404) 679-9000

HAWAII

Federal Bureau of Investigation
Room 4307, Kalaniana'ole FOB
300 Ala Moana Boulevard
Honolulu, Hawaii 96850
(808) 521-1411

ILLINOIS

Federal Bureau of Investigation
Room 905
E.M. Dirksen Federal Office Building
219 South Dearborn Street
Chicago, Illinois 60604
(312) 431-1333

Federal Bureau of Investigation
Suite 400
400 West Monroe Street
Springfield, Illinois 62704
(217) 522-9675

INDIANA

Federal Bureau of Investigation
Room 679, FOB
575 North Pennsylvania Street
Indianapolis, Indiana 46204
(317) 639-3301

KENTUCKY

Federal Bureau of Investigation
Room 500
600 Martin Luther King Jr. Place
Louisville, Kentucky 40202
(502) 583-3941

LOUISIANA

Federal Bureau of Investigation
Suite 2200
1250 Poydras Street
New Orleans, Louisiana 70113-1829
(504) 522-4671

MARYLAND

Federal Bureau of Investigation
7142 Ambassador Road
Baltimore, Maryland 21244-2754
(410) 265-8080

MASSACHUSETTS

Federal Bureau of Investigation
Suite 600
One Center Plaza
Boston, Massachusetts 02108
(617) 742-5533

MICHIGAN

Federal Bureau of Investigation
26th. Floor, P. V. McNamara FOB
477 Michigan Avenue
Detroit, Michigan 48226
(313) 965-2323

MINNESOTA

Federal Bureau of Investigation
Suite 1100
111 Washington Avenue, South
Minneapolis, Minnesota 55401
(612) 376-3200

MISSISSIPPI

Federal Bureau of Investigation
Room 1553, FOB
100 West Capitol Street
Jackson, Mississippi 39269
(601) 948-5000

MISSOURI

Federal Bureau of Investigation
Room 300, U.S. Courthouse
811 Grand Ave.
Kansas City, Missouri 64106
(816) 221-610

Federal Bureau of Investigation
Room 2704
L. Douglas Abram Federal Bldg.
1520 Market Street
St. Louis, Missouri 63103
(314) 241-5357

NEBRASKA

Federal Bureau of Investigation
10755 Burt Street
Omaha, Nebraska 68114
(402) 493-8688

NEVADA

Federal Bureau of Investigation
700 East Charleston Boulevard
Las Vegas, Nevada 89101
(702) 385-1281

NEW JERSEY

Federal Bureau of Investigation
1 Gateway Center, 22nd. Floor
Newark, New Jersey 07102-9889
(201) 622-5613

NEW MEXICO

Federal Bureau of Investigation
Suite 300
415 Silver Avenue, Southwest
Albuquerque, New Mexico 87102
(505) 224-2000

NEW YORK

Federal Bureau of Investigation
Suite 502, James T. Foley Bldg.
445 Broadway
Albany, New York 12207
(518) 465-7551

Federal Bureau of Investigation
One FBI Plaza
Buffalo, New York 14202-2698
(716) 856-7800

Federal Bureau of Investigation
26 Federal Plaza, 23rd. Floor
New York, New York 10278
(212) 384-1000

NORTH CAROLINA

Federal Bureau of Investigation
Suite 900
400 South Tyron Street
Charlotte, North Carolina 28285
(704) 377-9200

OHIO

Federal Bureau of Investigation
Room 9023
550 Main Street
Cincinnati, Ohio 45273-8501
(513) 421-4310

Federal Bureau of Investigation
Room 3005
Federal Office Building
1240 East 9th Street
Cleveland, Ohio 44199-9912
(216) 522-1400

OKLAHOMA

Federal Bureau of Investigation
Suite 1600
50 Penn Place
Oklahoma City, Oklahoma 73118
(405) 290-7770

OREGON

Federal Bureau of Investigation
Suite 401, Crown Plaza Building
1500 Southwest 1st Avenue
Portland, Oregon 97201
(503) 224-4181

PENNSYLVANIA

Federal Bureau of Investigation
8th. Floor
William J. Green Jr. FOB
600 Arch Street
Philadelphia, Pennsylvania 19106
(215) 829-2700

Federal Bureau of Investigation
Suite 300
U.S. Post Office Building
700 Grant Street
Pittsburgh, Pennsylvania 15219
(412) 471-2000

PUERTO RICO

Federal Bureau of Investigation
Room 526, U.S. Federal Bldg.
150 Carlos Chardon Avenue
Hato Rey
San Juan, Puerto Rico 00918-1716
(809) 754-6000

SOUTH CAROLINA

Federal Bureau of Investigation
Room 1357
1835 Assembly Street
Columbia, South Carolina 29201
(803) 254-3011

TENNESSEE

Federal Bureau of Investigation
Suite 600, John J. Duncan FOB
710 Locust Street
Knoxville, Tennessee 37902
(423) 544-0751

Federal Bureau of Investigation
Suite 3000, Eagle Crest Bldg.
225 North Humphreys Blvd.
Memphis, Tennessee 38120-2107
(901) 747-4300

TEXAS

Federal Bureau of Investigation
Room 300
1801 North Lamar
Dallas, Texas 75202
(214) 720-2200

Federal Bureau of Investigation
Suite C-600
700 East San Antonio Avenue
El Paso, Texas 79901-7020
(915) 533-7451

Federal Bureau of Investigation
Room 200
2500 East TC Jester
Houston, Texas 77008-1300
(713) 868-2266

Federal Bureau of Investigation
Suite 200
U.S. Post Office & Courthouse Bldg.
615 East Houston Street
San Antonio, Texas 78205
(210) 225-6741

UTAH

Federal Bureau of Investigation
Suite 1200, 257 Towers Bldg.
257 East, 200 South
Salt Lake City, Utah 84111
(801) 579-1400

VIRGINIA

Federal Bureau of Investigation
150 Corporate Boulevard
Norfolk, Virginia 23502
(804) 455-0100

Federal Bureau of Investigation
111 Greencourt Road
Richmond, Virginia 23228
(804) 261-1044

WASHINGTON

Federal Bureau of Investigation
Room 710
915 Second Avenue
Seattle, Washington 98174-1096
(206) 622-0460

WASHINGTON, D.C.

Federal Bureau of Investigation
Washington Metropolitan Field Office
1900 Half Street, SW
Washington, D.C. 20024
(202) 252-7801

WISCONSIN

Federal Bureau of Investigation
Suite 600
330 East `Kilbourn Avenue
Milwaukee, Wisconsin 53202-6627
(414) 276-4684