ALL AGREEMENT STATES, VERMONT, WYOMING

REQUEST TO IMPLEMENT THE REVISED PRE-LICENSING GUIDANCE, NOTIFICATION OF UPCOMING WEBINAR TRAINING, AND DISCONTINUANCE OF A LICENSING PRACTICE (RCPD-18-005)

Purpose: To request implementation of the enclosed Pre-Licensing Guidance (PLG), announce training webinars on the proper use of the PLG, and communicate the discontinuation of the practice of hand-delivery of licenses during the Pre-Licensing Site Visit (PLSV).

Background: In 2015, U.S. Nuclear Regulatory Commission (NRC) staff was notified that the Government Accountability Office (GAO) had conducted an undercover investigation on whether vulnerabilities identified in the 2007 GAO investigation had been addressed by the regulatory framework and other improvements implemented by the NRC and the Agreement States. As a result of the 2015 investigation, the GAO was able to obtain a license for a Category 3 quantity of licensed material in one out of three attempts using fake credentials.

Once notified by GAO in October 2015, the NRC and the Agreement States took a number of actions, one of which included forming the NRC-Agreement State Enhancements to Pre-Licensing Guidance Working Group (PLWG) to evaluate vulnerabilities identified as a result of the GAO investigation. In addition to other potential licensing vulnerabilities and practices, the PLWG considered enhancements to the PLG.

The enclosed procedure contains sensitive security information and should not be released to the public.

Discussion: The PLWG completed its report in October 2016. The PLWG report included proposed PLG revisions identified by the working group in Section VI. The report was transmitted to the Agreement States in Radiation Control Program Director (RCPD) letter RCPD-17-001. One of the vulnerabilities identified by the PLWG and stated in the GAO report was the hand-delivery of licenses at the time of the PLSV. The PLWG made a recommendation to discontinue the practice of hand-delivery of licensee during the PLSV. On October 27, 2016, the Steering Committee for the Working Groups for Enhancements to the Pre-Licensing Guidance Working Group (PLWG) to evaluate vulnerabilities identified as a result of the GAO investigation. In addition to other potential licensing vulnerabilities and practices, the PLWG considered enhancements to the PLG.

Therefore, consistent with the recommendations of the PLWG and the content of RCPD-17-001, the practice of hand-delivering licenses during the PLSV should be suspended effective immediately.

The NRC considers the PLG an essential component of a licensing program. The essential objectives of the PLG, as revised, are: 1) providing a basis for confidence that radioactive material will be used as intended; 2) performing PLSV for “unknown” applicants or new owners, as defined in the guidance; 3) forwarding suspicious applications to the appropriate authority for
follow-up; 4) suspending the good faith presumption when evaluating applications for “unknown” applicants or new owners; and 5) discontinuing the hand delivery of licenses at the time of the PLSV.

The PLG is applicable to the regulation of the Agreement materials as found in Appendix A of NMSS Procedure SA-200, “Compatibility Categories and Health and Safety Identification for the NRC Regulations and Other Program Elements.” These written licensing procedures continue to be designated as a Compatibility Category C. The NRC will continue to use the Integrated Materials Performance Evaluation Program (IMPEP) to review the implementations of the PLG by the NRC Regional and the Agreement State radioactive materials programs.

In accordance with Management Directive 5.9, “Adequacy and Compatibility of Agreement State Programs,” the effective date for the Agreement State implementation is within 6 months from the date of this letter. The use of the PLG is effective immediately for the NRC Regional Offices.

The NRC staff will conduct two technical training webinars on the use and essential objectives of the PLG and the conduct of the PLSV. The training will include discussions on: the enhancements incorporated into the PLG by the NRC-Agreement State Enhancements to Pre-Licensing Working Group; the appropriate use of the PLG “Checklist to Provide a Basis for Confidence that Radioactive Material will be Used as Intended,” which will include changes of control; and the “Guidance for Conducting the PLSV.”

Training on the “Pre-Licensing Guidance Enhancements, Implementation, and Site Visits” has been scheduled for August 28, 2018, and September 6, 2018, from 2:00 p.m. – 3:30 p.m. (EST). Participants must register in advance of the webinar using the following links: For the August 28, 2018, training, use: https://attendee.gotowebinar.com/register/2179446843014489347, and for the September 6, 2018 training, use: https://attendee.gotowebinar.com/register/3785917994062288641.

If you have any questions regarding the enclosed document or how it will be reviewed under the IMPEP, please contact the individual named below:

POINT OF CONTACT: Lizette Roldán-Otero, Ph.D. E-MAIL: Lizette.Roldan@nrc.gov
TELEPHONE: (817) 200-1596

/RA/
SAAttack for DCollins

Daniel S. Collins, Director
Division of Materials Safety, Security, State and Tribal Programs
Office of Nuclear Material Safety and Safeguards

Enclosures:
As stated
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PRE-LICENSING GUIDANCE

Checklist to Provide a Basis for Confidence that Radioactive Materials Will be Used as Specified on the Application (Revised 08/09/18)

APPLICANT INFORMATION:

<table>
<thead>
<tr>
<th>Name:</th>
<th>Program Code(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>License No.:</td>
<td>Control No.:</td>
</tr>
</tbody>
</table>

**STEP 1 - INITIAL SCREENING (Attachment 1)**

**Instructions for Step 1:** Complete Step 1 for all new applications and applications for transfer of control (change of ownership) (e.g., direct or indirect). Use the questions in the Worksheet below to make a determination on whether the applicant or proposed new owner is a known entity. Use safety information in the application as well as sources of information that are outside of the application to obtain information to answer the questions. If the answer to any of the questions in the Worksheet is "YES," then do not proceed any further (i.e., do not complete Step 2). Sign and date the completed form and add it to the Agencywide Documents Access and Management System (ADAMS) as Non-Sensitive and Non-Publicly Available. If Step 1 is "NO," complete Step 2 (Additional Screening and Pre-licensing Site Visit), regardless of whether the license is issued, withdrawn, suspended or denied, and add the completed forms to ADAMS as Sensitive and Non-Publicly Available.

The applicant is a known entity or a licensee transferring control to a known entity and is credible.

**Worksheet**

**Instructions:** Use the six questions below to determine if the applicant is a known entity. Provide a clear assessment using the best practices provided after each of the questions. If the answer to any of the six questions is "yes," indicate "YES" in Step 1, above. If the answers to all of the six questions are "no" then indicate "NO" in Step 1, and follow the instructions above.

1. **Does the applicant or proposed new owner have a current Agreement State or NRC license for radioactive material?**
   - 1) Review ADAMS for NRC licenses and contact the appropriate regulatory authority for Agreement State licenses to confirm: (a) that a valid license exists for the applicant (has not been terminated); and (b) the applicant has been inspected; or (c) a pre-licensing site visit resulted in the issuance of the license; and 2) if applicable, contact the licensee’s corporate office to confirm that it has knowledge of and approves of the new application.
     - Provide brief explanation and/or attach documentation (e.g. telephone record or email) as applicable

2. **Is the scope of the request limited to a change of control (e.g., direct transfer, indirect transfer) where the transferee: (1) holds either an Agreement State or NRC radioactive materials license; or (2) is the parent company to an entity that holds either an Agreement State or NRC radioactive materials license?**
   - 1) Does the transferee’s license include the scope of licensed activities authorized under the transferor’s current radioactive materials license? 2) Has the information needed for transfer of control pursuant to NUREG-1556, Volume 15, Appendix E been confirmed in writing by the existing radioactive materials licensee’s Radiation Safety Officer (RSO) or other duly authorized representative?

3. **Is the applicant requesting an authorization for activities within the scope of existing operations for which it currently holds a non-radioactive material State or federal government license/registration/authorization?**
   - 1) Obtain a copy of the license/registration/authorization from the applicant; 2) Contact the appropriate government office to confirm: (a) that the license/registration/authorization is valid; (b) the applicant’s proposed location of use has been inspected or visited; and (c) that the applicant has been conducting operations within the scope of licensed activity for at least 1 year; and 3) Contact the applicant’s corporate office to confirm that it has knowledge of and approves of the new application to possess radioactive materials.
     - NOTE: This pathway should be used when an applicant is looking to expand their operations as part of their normal course of business that is currently not using radioactive material (e.g., a company authorized for mining that requires a license to expand operations to use fixed gauges, a cardiologist who wants to add nuclear medicine to their practice).
     - Provide brief explanation and/or attach documentation (e.g. telephone record or email), as applicable

4. **Is the applicant a local, State, Tribal nation, or federal government entity?**
   - Confirm that the applicant is a government entity. Through independent internet searches and/or via communication with a known government/tribal official, validate the information stated in the application.
     - Provide brief explanation and/or attach documentation (e.g. telephone record or email) as applicable
5. Is the application only being submitted as the result of a licensee failing to submit a renewal application in a timely manner or revocation of the license for failure to pay fees?

| Old license/docket No.: ____________________ | Expiration Date: __________________________ |

6. Is the applicant a former licensee that has been terminated under favorable conditions (e.g., no principal activities performed in 24 months)?

Confirm there is no example of a significant licensing action and/or program code changes in accordance with NUREG-1556 Volume 20, Checklist A.6 in the application.

Signature and Date for Step 1:


Reviewer

Date
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**Control No.:** __________

**STEP 2 – ADDITIONAL SCREENING AND PRE-LICENSING SITE VISIT**

**Instructions for Step 2:** Complete the Step 2 checklist for any applicant/proposed new owner that is an unknown entity (a “NO” response in Step 1). Attachment 2 provides guidance in completing Step 2. Use the information in the application as well as sources of information that are outside of the application. Document the review of each applicable item under “Reviewer Notes” below. Write “YES” or “NO” in the last column as a preliminary indicator as to whether the item provides a basis for confidence that the requested materials will be used as specified in the application. NOTE: IN ALL CASES (except WITHDRAWAL, DENIALS, OR SUSPENSIONS) THE PRE-LICENSING SITE VISIT (Item M) MUST BE CONDUCTED. Do not leave the last column blank for any item. If a particular item is not applicable (e.g., financial assurance) indicate “NA” in the last column. If an item was not completed because the reviewer has a basis for confidence from review of other criteria that the applicant/proposed new owner will use radioactive materials as specified in a license, provide a brief justification under “Reviewer Notes” (e.g., basis for confidence established by Item M) for not completing the item and indicate “YES” in the last column. Summarize the review at the bottom of the Step 2 checklist and sign, date, and place the completed form in ADAMS, as Sensitive and Non-Publicly Available.

<table>
<thead>
<tr>
<th>Refer to the guidance in Attachment 2, for each criterion, below.</th>
<th>Reviewer Notes – Provide a brief justification to support your conclusion for each item (Prompts have been included for a few of the items but are not all inclusive)</th>
<th>Basis for Confidence (Indicate YES, NO, or NA)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Initial Application</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B. Fee Payment</strong></td>
<td>Date processed (e.g., invoice paid in full, Milestone 7): Form of payment (e.g. check, credit card):</td>
<td></td>
</tr>
<tr>
<td><strong>C. Communication with the Applicant</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>D. Deficiency correspondence</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>E. Request for Materials</strong></td>
<td>Radionuclide: Form: Maximum Possession Limit:</td>
<td></td>
</tr>
<tr>
<td><strong>F. Risk Significant Radioactive Material Checklist Review</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>G. Financial Assurance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>H. Former Licensee</strong></td>
<td>License Name: License Number:</td>
<td></td>
</tr>
<tr>
<td><strong>I. Ownership / Senior Management</strong></td>
<td>Attach Organization chart</td>
<td></td>
</tr>
<tr>
<td><strong>J. Radiation Safety Officer</strong></td>
<td>Name:</td>
<td></td>
</tr>
<tr>
<td><strong>K. Authorized User</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>L. Public Web Site Search</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>M. Pre-Licensing Site Visit (complete step 2a)</strong></td>
<td>Date Pre-Licensing Site Visit performed: ML Number of Pre-Licensing Site Visit record:</td>
<td></td>
</tr>
<tr>
<td><strong>N. Security</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criterion (see Att. 2)</td>
<td>Reviewer Notes concerning Step 2 – Additional Screening (continued from previous page)</td>
<td>Basis for Confidence</td>
</tr>
<tr>
<td>------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>O. Check for any examples of Suspicious Information from an Applicant (Attachment 3)</td>
<td>License Reviewer confirms Attachment 3 was reviewed and that no suspicious information was identified in the course of the review or during the Pre-Licensing Site Visit.</td>
<td></td>
</tr>
<tr>
<td>P. Local Law Enforcement Agency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q. Additional Check of Applicant Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R. Consent to Background Check Form(s) (Step 3a)</td>
<td>Date(s) received: Name(s) of individual(s) completing form:</td>
<td></td>
</tr>
</tbody>
</table>

**Summary**

Within the context of the entire set of additional screening criteria and site visit, the reviewer was provided a basis for confidence that the requested radioactive materials will be used as specified in the application and an additional evaluation (Criteria Q and R) of a potential security risk is not needed. [NOTE—If “NO” is indicated in the last column, provide rationale below and complete Step 3 without delay.] If the application was withdrawn, suspended or denied, note NA and complete the “Application withdrawn, suspended or denied” section below.

**Supporting rationale for an additional evaluation:**
| Application Withdrawn, Suspended or Denied | Within the context of the application, the license reviewer identified deficiencies that were unresolved during the license review process and/or the application was withdrawn by the licensee. If the additional screening criteria and/or site visit, could not confirm whether the applicant or new owner would have used the material as specified in the application, the license reviewer will Complete Step 2 and Attachment 4 with enough detail to support the withdrawal, suspension or denial of the application. In addition, the license reviewer will initiate the evaluation of Criteria Q and R. | YES or NO |

Supporting rationale for withdrawn, suspended or denied application:

Supporting rationale for additional evaluation:

Signatures and Dates for Step 2:

Reviewer ___________________________ Date ________

Supervisor ___________________________ Date ________
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Step 2a - Pre-Licensing Site Visit Record

Instructions for Step 2a: Refer to Attachment 2a for information on details to consider in preparing this record.

Date(s) of site visit:

APPLICANT INFORMATION:

<table>
<thead>
<tr>
<th>Name</th>
<th>Program Code(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>License No.</td>
<td>Control No.:</td>
</tr>
</tbody>
</table>

Item A. Applicant Personnel Contacted During the Pre-Licensing Site Visit:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Item B. Summary of Observations, Findings, and Conclusions (see Attachments 2a and 3)

<table>
<thead>
<tr>
<th>Verification of Identity of Applicant Personnel Interviewed</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Operations</td>
<td></td>
</tr>
<tr>
<td>Facility</td>
<td></td>
</tr>
<tr>
<td>Radiation Safety Operations</td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td></td>
</tr>
<tr>
<td>Review Suspicious Information (see Attachment 3)</td>
<td></td>
</tr>
<tr>
<td>Overall Assessment</td>
<td></td>
</tr>
</tbody>
</table>

Signatures and Dates for Pre-licensing Site Visit:

Reviewer ___________________________ Date ___________________________

Supervisor ___________________________ Date ___________________________
STEP 3–NOTIFY NRC HEADQUARTERS AT NMSS/MSST/SMPB (SMPB)

Instructions for Step 3: If the reviewer is **NOT** provided a basis for confidence by the information obtained in Step 2 that the material requested by the applicant will be used as specified on the application, request the applicant submit a completed “Consent to Perform Criminal History Background Check” (Step 3a), and complete a Technical Assistance Request (Step 3b).

| Request for additional evaluation of the applicant | The license reviewer should submit a Technical Assistance Request (TAR), after Step 2 has been completed, and based on a preponderance of inconsistent information, the reviewer was not provided a basis for confidence that radioactive material will be used as specified on the application. Prior to completing the TAR (Step 3b), the reviewer should request that the applicant submit a completed consent to background check form in Step 3a. The TAR package includes Steps 3a, the completed Step 2 form, and the relevant supporting information from the application. Per NUREG-1556, Volume 20, Section 4.15, Technical Assistance Request (TAR) – Materials Licensees, staff should follow procedures for identifying, screening, preparing, and processing TARs available in NMSS Policy and Procedures 7-05, “Procedures for Processing of Technical Assistance Requests,” dated December 9, 2016 (ADAMS Accession No. ML13095A163). This includes the form for submitting to the appropriate NMSS Division. A TAR package from an Agreement State supervisor will be routed through the NRC Regional State Agreements Officer as a routine request per NMSS Procedure SA-1001, “Technical Assistance for Agreement States” (revised in 2018). |

Date TAR package transmitted to SMPB: _______________________

Due date of TAR response from SMPB: _______________________

Signatures and Dates for Step 3:

<table>
<thead>
<tr>
<th>Reviewer</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Supervisor</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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STEP 3a
Consent to Perform Criminal History Background Checks

Last Name: ___________________ First Name: ___________________ Middle Name/Initial: ____

Maiden or other name(s) (aliases) used in any and all other records of birth or records of residence.

**Home Address:________________________________________ Apartment #:__________
City:________________________ County:________________ State:___________ Zip:_____

**Date of Birth:___________ **Social Security Number______________ **Gender:___ **Race:____

**TO BE USED FOR CRIMINAL HISTORY CHECKS ONLY AND NOT A PART OF THE LICENSE FILE.

I, ________________________________________ ___________ , am an applicant, duly authorized official of an applicant, and/or a proposed Radiation Safety Officer (RSO) for a new Radioactive Materials License with the U.S. Nuclear Regulatory Commission (NRC) and/or Agreement State and have been advised that as a part of the application process, the U.S. NRC or state agency may conduct a criminal history background check. I do hereby consent to the U.S. NRC or applicable state agency the use of any information provided during the application process in performing the criminal history check. The U.S. NRC or state agency has informed me that I have the right to review and challenge any negative information that would adversely impact a decision to issue a new radioactive materials license. In addition, I have been informed that I will have a reasonable opportunity to clear up any mistaken information reported within a reasonable time frame established within the sole discretion of the agency.

The following are my responses to questions about my criminal history (if any).

1. ____Yes_____No     Have you ever been convicted or plead guilty before a court for any federal, state or municipal criminal offense? (exclude minor traffic misdemeanors). If yes, please provide details below.
State:_______________County:_________________________Date of Offense:____/____/____
Details of Conviction: 

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Revised: 08/09/18
2. Yes__No Have you ever received deferred adjudication or similar disposition for any federal, state or municipal offense? If yes, please provide details below.

State:__________________County:____________________Date of Offense:__/__/____

Details of Conviction:


3. Yes__No Have you ever received probation or community supervision for any federal, state or municipal offense?

State:__________________County:____________________Date of Offense:__/__/____

Details of Conviction:


_________________________________  _______________________
Applicant Signature                 Date
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Step 3b

Example of a Completed TAR Form:

[NOTE—the italicized text is an example of information provided by a reviewer who completed the Checklist, Step 1 and Step 2.]

<table>
<thead>
<tr>
<th>TECHNICAL ASSISTANCE REQUEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribute to: (Select Only One Division)</td>
</tr>
<tr>
<td>Issue is:</td>
</tr>
<tr>
<td>□ Regulatory interpretation or exemption</td>
</tr>
<tr>
<td>□ Other</td>
</tr>
<tr>
<td>Date:</td>
</tr>
<tr>
<td>ADAMS Send to:</td>
</tr>
<tr>
<td>Division Name, NMSS</td>
</tr>
<tr>
<td>From:</td>
</tr>
<tr>
<td>Division Name, NMSS or Region</td>
</tr>
<tr>
<td>Licensee: New Applicant XYZ, Incorporated</td>
</tr>
<tr>
<td>License No.</td>
</tr>
<tr>
<td>Letter Dated:</td>
</tr>
<tr>
<td>Enforcement Action being held in abeyance:</td>
</tr>
</tbody>
</table>

Problem or Issue:

Based on the completion of the “Checklist to Provide a Basis for Confidence that Radioactive Materials Will Be Used as Specified on the License,” Step 2 (Additional Screening Criteria and Pre-Licensing Site Visit), the license reviewer could not determine or has reasonable doubt that radioactive material will be used as specified on the application. Specifically, the publicly available information is inconsistent with the applicant’s information as indicated in the items listed below from the additional screening criteria listed in Attachment 2.

Item E. The applicant is requesting <insert activity> of <insert radionuclide> to be used for the purpose of <insert purpose>. However, based on our experience, the activity is 100x the norm for this type of use OR this nuclide is typically not used for this stated purpose.

Item E. The applicant is requesting radioactive material for the purpose of <insert purpose>. However, the company’s web page <insert URL address> shows their business interest to be in <insert type of business> and not <insert typical type of use for requested materials>

Item G. The financial assurance mechanism used by the applicant was issued by a foreign bank account.
**Item J.** The listed RSO indicated that he/she had experience in working with radioactive materials and was listed on a NRC or Agreement State license. However, an independent search of the referenced license could not be verified or confirmed.

**Item L.** The Internet search lists publications which are not consistent with the applicant’s prior training and experience/educational institutions, per the application.

**Item L.** The applicant’s stated association with previous places of employment or university programs is not consistent with the Internet search.

**Item M.** During the site visit, the reviewer noted that the applicant could not provide adequate security for licensed material and did not have adequate facilities for the use requested.

**Action Requested:**

*Coordinate with NSIR for an additional evaluation of a potential security risk.*

**Recommended Action and Alternatives:**

**TARs addressing similar issues (Include subject, date and ADAMS Accession Number):**

**Background Documents (Include date and ADAMS Accession Number)**

1. Completed form for Step 1
2. Completed form for Step 2 indicating links to inconsistent information.
3. NRC Form 313 dated *<insert date>* and pertinent portions thereof.
4. Completed form Step 3a – Consent to Perform Criminal History Background Check
5. Conversation Records with the applicant revealed the following details:
   *<insert date for each record and give the pertinent details>*
6. Site Visit Report (Step 2A) dated *<insert date>*

**Remarks:**

*Alert the Regional Offices and the Agreement States to determine if multiple applications have been submitted to regulatory agencies by the applicant.*

**Reviewer:**

**Contact number:** (  )

**Needed by (date):**
Guidance to Complete the Checklist to Provide a Basis for Confidence that Radioactive Materials will be Used as Specified on the License

Applicability: The checklist and guidance are applicable to materials license reviewers and are not intended for reviewers who authorize sources for reactor or fuel facility programs.

01 OBJECTIVE

01.01 To provide a basis for confidence that a new applicant (i.e., an entity that has never had a license or is unknown) requesting a specific license, or a licensee requesting transfer of control to a new applicant will use and store radioactive materials at locations as specified on the license.

02 FLOW CHART FOR PRE-LICENSING CHECKLIST
Screen all applications using the checklist process depicted below.

```
STEP 1
Initial Screening
Is the applicant a known entity or a licensee transferring control to a known entity?

Y   N

YES  NO

PRE-LICENSING COMPLETE

Y   N

YES  NO

ISSUE LICENSE

License application withdrawn, suspended or denied
Complete Attachment 4

Complete Step 2 and 2a
Additional Screening and Pre-Licensing Site Visit
IS THERE A BASIS FOR CONFIDENCE?

Y   N

YES  NO

Complete Steps 3, 3a, AND 3b
Additional Evaluation, background check consent and TAR

NO

NO

NO
```

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03 SPECIFIC GUIDANCE FOR COMPLETING THE CHECKLIST

03.01 Step 1—Initial Screening

The purpose of Step 1 is to determine whether an additional safety and security screening and onsite visit are needed because the applicant is an unknown entity that has never had a license (new applicant) or a licensee transferring control to a new applicant. Complete the “applicant information” at the top of the checklist (name, program codes, license no., control no.) then use the six questions in the worksheet of the checklist to determine the answer to Step 1. Specific guidance for Step 1 is below. Sign, date, and place the completed Step 1 part of the checklist in ADAMS as the Official Agency Record (OAR) profiled as Sensitive and Non-Publicly Available unless the response is “YES”, in which case the profile will be Non-Sensitive and Non-Publicly Available.

a. Use the six questions in the Step 1 initial screening worksheet to determine if the applicant, or the entity to which a licensee is requesting to transfer control (change of ownership), is unknown. If the answer to any of the six questions is “YES” then the new applicant/proposed new owner is a known entity and the reviewer will indicate “YES” for Step 1. Provide a brief description of the information that was used (e.g. respond to each best practice after each question) to determine that the answer was “YES”, and attach supporting documents. For example, if the applicant/proposed new owner is an existing NRC or Agreement State licensee, the reviewer will indicate “YES” for Step 1 question 1 and provide a brief description or attach documentation, such as the existing NRC or the Agreement State license number, the date of the last inspection or the date of the pre-licensing site visit, and the communication between the reviewer and corporate management confirming knowledge and approval of the new application. The reviewer will not need to complete any additional review under Step 2. A current licensee is not a new applicant. The reviewer will consider the enforcement and inspection history that may be available for a current licensee.

b. If the answers to all six questions in the Step 1 initial screening worksheet are “NO,” then the applicant or new owner is an unknown entity and the reviewer will indicate “NO” for Step 1 and will complete Step 2. Even if the unknown entity is requesting a type of use and quantity that are low risk (e.g., portable gauge), the reviewer must complete the additional review in Step 2. The good faith presumption should be suspended until the license reviewer can establish a basis for confidence that the new applicant or new owner will use material as intended and has established the applicant’s or new owner’s credibility. Requests for transfer of control must also be reviewed per the appropriate program-specific guidance in the NUREG-1556 series. Each volume in the series addresses timely notification of transfer of control. In addition, NUREG-1556, Volume 15 specifically addresses change of ownership.
Step 2 – Additional Screening Criteria and Pre-licensing Site Visit

The presumption that applicants or new owners are acting in good faith (i.e., with sincere intentions) should be suspended until the license reviewer can establish a basis for confidence that the new applicant or new owner will use the radioactive material as intended.

If the reviewer suspects a potential safety or security risk prior to the site visit, do not conduct a pre-licensing site visit. In such a case, the new application should be referred to NRC Headquarters at NMSS/MSST/SMPB (SMPB).

The purpose of Step 2 is to complete additional screening by comparing publicly available information about the applicant with the information in the application and gathered during communications to provide a basis for confidence that radioactive materials will be used as specified on a license application. Establishing a basis for confidence is a three-step process. The first step is to evaluate the license application. The second step is to independently verify information contained in the application. The third step is to conduct the Pre-Licensing Site Visit. Accordingly, a pre-licensing site visit may not be necessary if the license cannot be issued due to application deficiencies, the reviewer’s inability to independently verify applicant-provided information, or where the action is withdrawn, suspended or denied (Follow Step g, below). The reviewer will sign, date, and place the completed Step 2 part of the checklist in ADAMS as the OAR (profiled as Sensitive and Non-Publicly Available).

a. Complete Step 2 for any new applicant (unknown entity) that yielded a “NO” response for Step 1. Use the safety information in the application, sources of information that are outside of the application, the pre-licensing site visit, and information gathered during communications to identify inconsistencies which may indicate a potential security risk. The good faith presumption should be suspended until the reviewer can establish a basis of confidence that material will be used as intended and credibility. Document in detail the additional screening criteria in the Step 2 part of the checklist. Attachment 2 contains suggested questions and sources of information that may be used to review the screening criteria in the Step 2 part of the checklist.

b. For each additional screening criterion, provide an indication as to whether a basis for confidence was provided that radioactive materials will be used and stored as specified in the application. Review the additional screening criteria by using the questions and sources of information listed in Attachment 2. Reviewers are encouraged to develop effective and efficient methods to locate meaningful public information to provide a basis for confidence that materials will be used as intended and should not be constrained to use all of, or only the examples in Attachment 2. Reviewers may explore any area that is appropriate to provide a basis for confidence that radioactive materials will be used as specified on a license. Indicate “YES,” “NO,” or “NA” in the last column for each of the screening criterion in the Step 2 part of the checklist. An indication of “YES” is to be entered if the reviewer has determined that in regard to this
criterion there is a basis for confidence that radioactive materials will be used as specified in the application. An indication of "NO" is to be entered if the review has determined that there is a concern (e.g., no response to a request for additional information, training and experience cannot be confirmed, facility does not provide security for the radioactive material) with regard to the screening criterion such that there is not a basis for confidence. Document the review of each applicable screening criterion in the Step 2 of the checklist. Do not leave the last column of Step 2 blank for any criterion. If a particular screening criterion is "not applicable" for the review of a particular application (e.g., the new applicant or new owner is not required to possess financial assurance), indicate "NA" in the last column of the Step 2 part of the checklist. If any of the criteria are not used in the final determination, provide a brief justification under "Reviewer Notes" for not using the criterion and indicate "NA" in the last column of the Step 2 part of the checklist.

c. If the reviewer suspects a potential safety or security risk prior to the site visit, do not conduct a pre-licensing site visit. In such a case, indicate that the new applicant was referred to SMPB in NRC Headquarters. Indicate a Milestone 19, "Requested outside assistance in review," in the Web Based Licensing (WBL) system and postpone the review until further notice from SMPB. Reviewers should exercise restraint in their communication with the applicant to allow the process to carry out. If the reply from SMPB indicates no security risk, then the reviewer may resume plans to complete the pre-licensing site visit.

d. Complete the pre-licensing site visit as outlined in Attachment 2a, "Guidance Conducting the Pre-licensing Site Visit." Visit all storage and use locations identified on the application and interview senior management, proposed radiation safety officer (RSO), and proposed authorized users (AU). Incorporate the site visit results into Step 2, Item M (see Step 2a "Pre-Licensing Site Visit Record").

e. If a reviewer needs to use screening criterion Q, "Additional Check of Applicant Information," the reviewer should suspend the application, request that the applicant complete the consent to background check form in Step 3a, and issue a Technical Assistance Request (TAR) in Step 3. A new license cannot be issued until a TAR response is received from SMPB. Such a TAR response, if used, should be referenced and/or attached upon completing the pre-licensing checklist for the final, issued license. This criteria should be used where the reviewer is unable to locate any publicly available information about the applicant via internet search or other part of the review. Using established processes, the reviewer should provide SMPB with the form in Step 3a “Consent to Perform Criminal History Background Checks”, and other pertinent data from the application.

f. Review the findings of the entire set of additional screening criteria and indicate in the summary section at the bottom of the Step 2 checklist whether the reviewer and cognizant supervisor have been provided a basis for confidence that radioactive materials will be used as specified in the application or if an additional evaluation of a potential security risk is needed. The reviewer should enter "YES" if within the context of the entire set of screening criteria, the reviewer was provided a basis for confidence that radioactive materials will be used as
specified in the license application. If “YES” is indicated, the reviewer will indicate “NA” for the rationale. If the reviewer has determined that an additional evaluation of a potential security risk is needed, the reviewer will indicate “NO” and provide specific comments to explain the rationale to support the decision for additional evaluation (Step 3). Step 3 will be completed without delay and will include the completed Consent form, TAR form, and Step 2 part of the checklist. Sign, date, and place the completed Step 2 part of the checklist in ADAMS as the OAR (profiled as Sensitive and Non-Publicly Available).

g. If an application is withdrawn by the applicant, or suspended or denied by a license reviewer because of deficiencies in the application and/or the results of a pre-licensing site visit, the license reviewer will complete a withdrawal, suspension or denial sheet (Attachment 4) and submit the sheet to NMSS/MSST/SMPB for tracking and trending purposes. The withdrawal, suspension or denial sheet should include the program code, proposed radioactive materials use, applicant name, and reason for the withdrawal, suspension, or denial (e.g., training could not be verified). Details should be adequate to understand the reviewer’s decision to suspend or deny the action or the applicant’s decision to withdraw the action. Program code descriptions and definitions are provided on the NRC’s public Web site: https://www.nrc.gov/materials/miau/mat-toolkits.html.

If a reviewer suspects that some information provided by the applicant appears to be intentionally false or misleading, the reviewer should discuss the matter with their supervisor. If warranted, the reviewer should follow the allegation process for suspected wrong-doing to engage the assistance of the Office of Investigations. NUREG-1556, Volume 20, Section 4.11, “Guidance for Withdrawing, Suspending, or Denying Applications or Amendments – Material Licenses,” contains guidance for unusual cases. Any question about an applicant’s suitability, integrity, ability, or commitment to comply with NRC requirements will be coordinated with NMSS.

Attachment 3 contains examples of suspicious information from an applicant that warrants further consideration, e.g., involving the Office of Investigations and/or the allegation process and/or completing Step 3 to submit a technical assistance request for an additional evaluation of a potential security risk.

03.03 Step 2a – Complete Pre-Licensing Site Visit Record

If the reviewer suspects a potential safety or security risk prior to the site visit, do not conduct a Pre-Licensing Site Visit. The reviewer should also take care to protect his or her personal safety in all instances.

To the extent possible, the Pre-Licensing Site Visit should be conducted only after the reviewer has found that the initial application, deficiency correspondence, and fee payment are adequate to support a basis for confidence. The Pre-Licensing Site Visit should be the final consideration in determining the basis for confidence described in Step 2. All storage and use locations should be visited, and senior management, proposed RSO and AUs should be interviewed. The applicant should be assessed in accordance with instructions provided in Attachment 2a, “Guidance for Conducting the
Pre-Licensing Site Visit,” and the results of this assessment should be documented in Step 2a, “Pre-Licensing Site Visit Record.”

03.04 Step 3–Notify NRC Headquarters at NMSS/MSST/SMPB (SMPB):

Complete Step 3 if the reviewer concluded that an additional evaluation of a potential security risk is needed before it can be established that there is basis for confidence that the new applicant will use radioactive materials as specified on a license (“NO” in the summary section of the Step 2). To complete Step 3, the reviewer will need to first request - from the applicant - a completed consent to background check form included in Step 3a. Sign, date, and place the completed Step 2 part of the checklist in ADAMS as the OAR (profiled as Sensitive and Non-Publicly Available). Supervisors will notify SMPB without delay after the decision is made.

To request that SMPB conduct an additional evaluation of a potential security risk, the reviewer will initiate the process described in NUREG-1556, Volume 20, Section 4.15, “Technical Assistance Request–Materials Licensees,” and follow the most recent version of the NMSS Policy and Procedures 7-05, “Procedures for Processing of Technical Assistance Requests” (P&P 7-05), for identifying, screening, preparing, and processing TARs. This includes the form for submitting the TAR to the appropriate NMSS Division. Complete the “Regional Technical Assistance Request (TAR)” Form in Appendix A of the P&P 7-05 (see Step 3b for an example of a completed TAR form). Reviewers in the Agreement States will use SA-1001, “Technical Assistance for Agreement States,” (revised in 2018) and submit a routine request for an additional evaluation of an applicant. Additional instructions about completing the TAR Form are provided below.

The “Problem or Issue” field on the form will detail the reason for requesting an additional review. The consent form from Step 3a, and the completed form for Step 2 will be included in the TAR package. If the applicant has not returned the completed consent form, the reviewer should discuss this in the body of the TAR.

The “Action Request” field will state, e.g., “An additional review is requested from SMPB because there is concern that the applicant may not use the requested radioactive material as intended.” Such a statement will identify to SMPB that the TAR is requesting the evaluation of a potential security risk.

Send the TAR Form to SMPB for coordination with the Office of Nuclear Security and Incident Response (NSIR) so that a security specialist may conduct the additional evaluation of the applicant. A TAR Panel will not be convened.

SMPB and NSIR will close out the TAR within 60 days of receipt and will contact the reviewer's organization accordingly.

03.05 Step 3a – Consent to Perform Criminal/Background Checks

The purpose of the consent form is to obtain the new applicant’s or new owner’s consent to perform a criminal or background check if needed to establish a basis for confidence during the license review process in Step 2. If the license reviewer is unable to independently verify information contained in the license application or provided during the pre-licensing site visit (e.g. training certificate, business license, etc.), the license
reviewer should request that the applicant's senior management official and proposed RSO complete the consent to background check form. The reviewer should then forward any consent forms received to SMPB as part of a completed TAR package.

If the applicant refuses to provide consent, the license reviewer should inform its supervisor, suspend or deny the application, and include the refusal in the TAR package.
Questions and Sources of Information that may be Used to Address the Additional Screening Criteria in Step 2 of the Checklist (Revised 08/09/18)

<table>
<thead>
<tr>
<th>Additional Screening Criteria</th>
<th>Questions and Sources of Information to Evaluate the Additional Screening Criteria</th>
</tr>
</thead>
</table>
| A. Initial Application                        | • Is the initial application signed by an individual who may reasonably be accepted as authorized management?  
• Is the initial application clear as to what authorized uses, personnel, training, facilities, radiation safety program, and waste program would be? |
| B. Fee Payment                                | • State the date the invoice was paid in full  
• Document the date the fee milestone is entered in WBL before issuing license. A license cannot be issued without Milestone 7.  
• Call or email your CFO point of contact for Fees.  
• Is payment in cash or off-shore account or other suspicious method? |
| C. Communication with the Applicant           | • Is the deficiency correspondence (e.g., letter, FAX, or email) undeliverable?  
• Are you unable to contact the applicant by telephone?  
• Unresponsive applicant?  
• If the website listed an email address for the applicant, did the email “bounce back?” |
| D. Deficiency Correspondence                  | • Is the applicant’s response inadequate or evasive?  
• Is the applicant’s reply inconsistent with the type of use it is requesting?  
• Does the letterhead used by the applicant indicate a business name and address other than the business name and address that are in the application? |
| E. Request for Materials                      | • Is the applicant asking for a large amount of material - more than normally required for the type of use?  
• Is the applicant asking for a radionuclide not normally used for the requested purpose?  
• Are there inconsistencies between the Sealed Source and Device Registration Certificate(s) and the requested source model(s) and activity or activities? |
| F. Risk Significant Radioactive Material Checklist Review | • Is the applicant requesting Category 1 or 2 quantity of material?  
• Yes - Complete RSRM Checklist. Provide the date the Checklist was completed.  
• No – RSRM Checklist is not applicable. Write “NA” in Step 2  
• Were there any issues identified during the initial security review, if applicable? |
| G. Financial Assurance                         | • Is FA required for this type of licensee? (If no, write “NA” in Step 2)  
• Was FA submitted if required for this type of licensee?  
• Upon initial evaluation, does it appear that the applicant will be able to resolve and reconcile all questions about FA? If deficiencies were unusually deficient, elaborate.  
• Is an off-shore or international bank account being used?  
• Are the FA documents other than original or un-notarized?  
• Are the business names different on the FA documents and the application? |
| H. Former Licensee                            | • Is this the applicant’s initial attempt to obtain a specific license? Check for a previous license if the current license no. is, e.g., XX-YYYYY-02, or there is an additional docket no. or reference no. listed in Item 5 on the current or a previous license.  
• Is there a record of poor performance for the applicant? Ask the Regional State Agreements Officer to contact the Agreement State (or vice versa) to determine if there was prior poor performance. |
### I. Ownership/Senior Management

- Attach an organizational chart, or management structure. Is the individual who signed the application listed on the organizational chart?
- Is the applicant or individual on OE's list to prohibit involvement in a licensed activity? Use [http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals](http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals)
- Is the applicant concealing its previous identity? Perform an Internet search for the applicant’s website. Is there a name change or change of ownership posted that is inconsistent with the application? Use [www.google.com](http://www.google.com) or [www.addresses.com](http://www.addresses.com) or [www.yellowpages.com](http://www.yellowpages.com) or [www.superpages.com](http://www.superpages.com). For information on Internet resources, use [http://www.searchengineshowdown.com](http://www.searchengineshowdown.com). When one company acquires or merges with another use [http://www.uspto.gov/web/menu/tm.html](http://www.uspto.gov/web/menu/tm.html). For information on company mergers, see [http://www.corporateaffiliations.com](http://www.corporateaffiliations.com). Does the Internet search show business activities that are not consistent with the request? Check the last employment and training history of owner/senior management.
- Ask the applicant for a list of customers where it previously did this type of work and call one or two of the former customers to verify that it had previously performed this type of work. Contact professional associations who may know of the applicant. Use Vendors to get contact information on GLs.

### J. Radiation Safety Officer (RSO)

- Is this the initial request to be the authorized RSO on a specific license? If so, are the qualifications in accordance with the corresponding regulation or NUREG-1556 guidance?
- Is the RSO listed on a NRC or Agreement State license? Verify the individual is listed on the license by contacting the licensing regulatory agency. Is the training certificate altered or counterfeit? Confirm the validity of the certificate by contacting the training provider or certifying agency. (e.g., contact provider for portable gauge manufacturer or certifying agency, for physicians American Board of Radiology or applicable certifying board)
- Is the information in the application inconsistent with the request for authorization to use radioactive material?
- Is the applicant or individual on OE’s list to prohibit involvement in a licensed activity? Use [http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals](http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals)
- Are there deficiencies in the training and experience for the proposed RSO?
- Did the Internet search reveal inconsistencies with the previous places of employment or educational institutions and academic degrees?
- Did the Internet search reveal authored publications which are inconsistent with prior places of employment or educational institutions and academic degrees?
- Contact professional associations who may know of the applicant. (e.g., for physicians - American Board of Radiology or applicable certifying board)

### K. Authorized User (AU)

- Is this the initial request to be named as an AU on a specific license? If so, are the qualifications in accordance with the corresponding regulation or NUREG-1556 guidance?
- Is the AU listed on a NRC or Agreement State license? Verify the individual is listed on the license by contacting the licensing regulatory agency.
- Is the training certificate altered or counterfeit? Confirm the validity of the certificate by contacting the training provider (e.g. contact provider for portable gauge manufacturer or certifying agency, for physicians American Board of Radiology or applicable certifying board)
- Is the information in the application inconsistent with the request for authorization to use radioactive material?
- Is the applicant or individual on OE’s list to prohibit involvement in a licensed activity? Use [http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals](http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/individuals)
- Are there deficiencies in the training & experience to perform as an AU?
- Does an Internet search list publications which are inconsistent with prior training and experience or educational institutions?
- Does an Internet search contradict the individual’s stated association with previous places of employment or university programs?
- Contact professional associations who may know of the applicant. (e.g., for physicians - American Board of Radiology or applicable certifying board)
### L. Public Web Site Search
- Perform an Internet search using the applicant’s name, owner or senior officer’s name, or other available data to confirm that the company appears to be a legitimate business that would need a specific license.
- How long ago was the website created?
- Perform a search on the applicant’s location (e.g., google earth, google maps, yahoo maps)
- If the applicant’s organization is found, contact the applicant’s corporate office using information obtained from a public source (Internet, telephone book) and not the contact information received from the applicant, to verify that it has knowledge of, and approves of, the new application to possess radioactive materials.
- Check with local state agencies (e.g., the Secretary of State) and inquire if the applicant has been registered as a legitimate business entity in that state.
- Most company websites will have a link for company history or information. Go to that link for information such as name or location changes.
- Do not discount a website solely because the address/city/state is not on the site. The company may have changed locations, or may have worked at a temporary site that would not be on the website, such as an environmental consulting company doing work for a client.

### M. Pre-licensing site visit (complete Step 2A)
- Reviewers should schedule site visits in advance and let the applicant know the types of information/documentation they would be reviewing while on site (e.g., identification, proof of insurance, federal tax id, utility bill, professional licenses, lease agreement etc.).
- Refer to Attachment 2a for guidance for conducting the pre-licensing site visit.
- Use the record in Step 2a to document the pre-licensing site visit.
- Reviewers should use the Risk Significant Radioactive Material (RSRM) Checklist for applicants required to implement security requirements in 10 CFR Part 37.
- To the extent possible, the application should be fully reviewed prior to scheduling the pre-licensing site visit.

### N. Security
- Is the applicant unfamiliar with control of access to licensed material, e.g., constant surveillance for material not in storage?
- Does the applicant’s facility or program allow for unsecured material or unauthorized removal or access to stored material?
- Does the facility diagram show where the material will be stored? Are the rooms/spaces labeled appropriately?

### O. Check for any examples of Suspicious Information from Applicant
- Verify Attachment 3 examples do not apply before proceeding.

### P. Local Law Enforcement Agency
- For licensees subject to 10 CFR Part 37, contact Local Law Enforcement Agency and ask if the agency is aware that the applicant and/or applicant personnel are intending to use radioactive materials.

### Q. Additional Check of Applicant Information
- If an additional check is required to complete the review, so indicate and suspend the application.
- If an additional check response to a TAR allows for re-initiating the review, document results from that TAR.

### R. Consent to Background Check Form(s) (Step 3a)
- Did the applicant return a completed consent form (step 3a)?
Guidance for Conducting the Pre-Licensing Site Visit (Revised 08/09/18)

The license should not be hand delivered at this stage of the process. The license reviewer or inspector performing the pre-licensing site visit will use the information obtained from the pre-licensing site visit as part of their basis for confidence that the new applicant will use licensed material as specified in the license.

Prior to initiating interviews, reviewers should inform the new applicant of the following:

In the interest of national security and the protection of the public health and safety, and in order to provide a basis for confidence that new applicants will use licensed material as specified in a license, the NRC conducts pre-licensing site visits of new NRC license applicants.

All new applicants for NRC licenses may be subject to pre-licensing site visits. The purpose of the visit is to verify the identity of the applicant and that licensed material will be used as specified in the new license application.

Use the following questions and activities in the four focus areas as a starting point for conducting the pre-licensing site visit to evaluate the applicant’s intentions regarding the use of radioactive materials. All the activities or questions presented below do not have to be addressed during the visit except that all storage and use locations identified on the application will be visited. The reviewer should pursue any additional questions or review records as appropriate. By the end of the visit, the reviewer or inspector should have collected sufficient information to provide a basis for confidence that the applicant, after receiving a materials license, will use the radioactive materials as specified in their license. Document the site visit in Step 2a, “Pre-licensing Site Visit Record.”

1. Verification of Identity of Applicant Personnel Interviewed

Confirm identification of individuals interviewed by examining the individuals’ drivers’ licenses, passports, or appropriate immigration or working papers. Record the Names and Titles of each individual interviewed.

2. Business Operations

Review basic information typically used for the company’s business operations. This should include as many of the following documents (preferably, at least two): federal tax ID number, business or solicitor’s license, copy of utility bill, proof of insurance (i.e., liability, medical, registration as a business entity with the State’s Secretary of State). Is the company bonded? (Bonding requirements vary by State. Research your state to know what is required.)

Small independent companies typically should provide more documentation than established larger companies (e.g. publicly traded, greater than 500 employees) to establish their legitimacy.

Obtain a detailed and complete description of the applicant’s management structure (include RSO, authorized users and other individuals who will likely come in contact with radioactive material) including any parent company or partners. If possible obtain a customer list with contacts.

How long has the applicant been in business? If for only a short period of time (less than 2 years), what was the principal owner’s previous employment?

How long has the company been in this community?

Why does the business need radioactive materials at this time?

Is the applicant moving forward with the things it needs to operate the business? Some examples could be contacting suppliers, interviewing staff or locating consultants and/or contractors.

The license should not be hand delivered at this stage of the process. The license reviewer or inspector performing the pre-licensing site visit will use the information obtained from the pre-licensing site visit as part of their basis for confidence that the new applicant will use licensed material as specified in the license.
### 3. Facility

- If the facility construction is complete, tour the facility and visit all storage and use locations identified on the application and assess whether facilities and equipment are adequate for proposed licensed activities.

- If facility construction is not complete, ask to see all blueprints or construction plans and discuss the proposed design of the facility while on site with the individual who signed the license application or other designated licensee representative. Determine whether the applicant has provided a reasonable justification for needing a license prior to the completion of facility construction, and may reasonably be expected to complete construction of all required facilities prior to receiving licensed material.

- Does it appear that the existing facility or proposed facility could support the licensed program requested in the application? Is it located in an area where one would expect this type of business?

- Ask the applicant what other permits are required to operate its business? Does it need to register with the State radiation program? What local ordinances are required for their operation? (Since radioactive materials are also considered hazardous materials, many local municipalities have ordinances which limit the use of hazardous materials to certain zoned areas. Research your state prior to performing the pre-licensing site visit)

### 4. Radiation Safety Operations

- Examine equipment (e.g. survey meters, shielding containers, source handling tools, dosimetry, etc.) related to the use of radioactive materials that might be onsite. If required equipment is not onsite and properly installed, if applicable, discuss with the applicant the equipment it is planning to receive or install to support the use of the radioactive materials. Inquire as to the estimated time frame in which the applicant expects to have all radiation-safety related equipment in place.

- Discuss the proposed operation with the applicant including any proposed authorized users and technologists/technicians that might be present. Some businesses might already be in operation performing non-licensed activities.

- Is the applicant moving forward with the things it needs to do to operate the radiation safety program? Is equipment being purchased (orders/receipts)?

- Is the applicant developing procedures to ensure radiation safety?

- Has the applicant ever had, or does it currently have, generally licensed devices containing radioactive materials? If so, verify that the device is properly registered with the NRC and the Agreement State (if required).

### 5. Personnel

- Has the applicant considered staffing needs? Have they hired staff that will use the radioactive material? (Interview the staff hired and assess their training and experience, if possible.)

- Are radiation safety staff experienced personnel?

- What is management's background and experience?

- What level of resources is management placing toward the radiation safety program and staff?

- Does the applicant conduct any security or background checks of individuals that will use the radioactive materials?

### 6. Overall Assessment

- Does the applicant have a specific plan for using radioactive materials?

- Explain how the applicant's facilities, equipment and personnel are adequate to protect health and minimize danger for life or property, sufficient to provide a basis for confidence. If such facilities, equipment, and personnel are not in place at the time of the visit, explain how the visit supported or did not support forming a basis for confidence.

- Are there any inconsistencies observed during the pre-licensing site visit that contradicted the application? If so, are the inconsistencies significant? Does the applicant have a reasonable explanation for any inconsistencies?
### Examples of Suspicious Information from an Applicant (Revised 08/09/18)

The table below contains examples of information and scenarios that a reviewer may consider false or misleading and should, if applicable, defer a pre-licensing site visit. The reviewer and cognizant supervisor will discuss such information when completing Step 3 to submit a TAR package requesting an additional evaluation of a potential security risk. The supervisor may consider other alternatives for dealing with the applicant, e.g., involving the Office of Investigations or the allegation process. A reviewer should defer a pre-licensing site visit described in Step 2a, until SMPB has determined whether a potential security risk exists.

<table>
<thead>
<tr>
<th>Type of Information</th>
<th>Examples of Suspicious Information from an Applicant</th>
</tr>
</thead>
</table>
| **Identification**   | • The training certificate appears to be forged (e.g., wrong title, wrong signature, wrong course dates–future date, training facility does not have the individual listed as attending their training program) and the certificate is different from certificates that we usually receive from the certifying organization  
• The applicant provides a copy of an Agreement State license and the reviewer’s contact with the State reveals no such licensee  
• The applicant provides a copy of an or Agreement State license and the reviewer’s contact with the State cannot confirm the training and experience of the proposed RSO or AU  
• The Internet search for the applicant’s name reveals a totally different line of business than that indicated on the application  
• The applicant or radiation safety officer or authorized user is listed in Escalated Enforcement Action for Individuals on the Office of Enforcement web page  
• The Internet search for the applicant’s name reveals that the person has or had affiliations with a terrorism organization or any other group that may have expressed violent intent towards the United States |
| **Materials**         | • The activity requested is higher than the usual and customary request for this type of use  
• The applicant requests an authorization for incompatible types of use, e.g., industrial radiography, gauges, and a medical license. It appears the applicant is trying to accumulate radioactive sources of various types within the same application |
| **Location**          | • During the pre-licensing site visit, the reviewer noted that the applicant could not provide adequate security for licensed material  
• The deficiency correspondence is undeliverable, e.g., email is blocked or letter is returned with an address unknown or person not at this address  
• The reviewer’s telephone contact to the applicant reveals no such person is or has ever been working at that location, or the telephone service was disconnected  
• The reviewer attempts a pre-licensing site visit and determines that the address is an empty lot, vacant building, or the address is occupied by another business and no one is familiar with the applicant  
• The reviewer is expecting, from the information that has been provided, a different type of location for the type of facility. For example, the reviewer is expecting an industrial facility but the applicant is actually located in an office park, or the reviewer is expecting a medical therapy clinic and the applicant is actually located in a residential area  
• The applicant indicates it will be moving but does not provide a location of use, only a P.O. Box. After repeated requests for the new street address, the applicant provides an address in another country, e.g. an overseas address |
| **Fees**              | • Financial assurance is provided in cash or from an off-shore account  
• The fee contact reveals that the payment arrived in an unusual container and included extra cash which appears to be a bribe |
| **Urgency**           | • A request for an expedited licensing action in combination with any of the examples listed above should heighten a reviewer’s suspicion of an applicant, however, a request for expedited action, alone, will not cast suspicion on an applicant |
WITHDRAWAL, SUSPENSION OR DENIAL SHEET

TO: NMSS/MSST/SMPB

FROM: NRC Regional Office/Agreement State, Division, Branch

SUBJECT: WITHDRAWAL, SUSPENSION OR DENIAL OF NEW LICENSE APPLICATION OF AN UNKNOWN ENTITY

Applicant Name:
Control No.:
Docket No.:
Program Code:

Reason for withdrawal, suspension or denial:

Reviewer:
Date:

FOR SMPB USE ONLY

Comments:

☐ Uploaded to the Material Security Tool Box

Processed By: ____________

– 24 –

OFFICIAL USE ONLY – SECURITY RELATED INFORMATION
## Comment Resolution

**Draft Revision to Pre-Licensing Guidance**

<table>
<thead>
<tr>
<th>Comment No.</th>
<th>Source</th>
<th>Location</th>
<th>Comment</th>
<th>Accepted</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>OAS</td>
<td>General</td>
<td>Criminal history checks: If the license reviewer is unable to independently verify information contained in the license application or during the pre-licensing site visit, why not just void the application? Why are reviewers required to go the extra step of performing a criminal history check?</td>
<td>NA</td>
<td>If the license reviewer cannot independently verify information it would be considered a suspicious application. The extra step is to ensure that the applicant is not trying to obtain a license for nefarious purposes. Although preferred, the reviewer would not be required to complete the extra step of performing a criminal history. However, if the license reviewer denies or suspends (voids) the application, the guidance now includes a step such that the regulatory authority should send that information to NMSS/MSST/SMPB for tracking using Attachment 4.</td>
</tr>
<tr>
<td>2</td>
<td>OAS</td>
<td></td>
<td>The pre-licensing guidance does not explain why this step is necessary or desirable. If an applicant can't make their case using pathways already provided, they aren't ready to have a license and shouldn't be granted one. There should be an option to void the application without pursuing a criminal history check.</td>
<td>No</td>
<td>During the 2016 GAO sting, 2 out of the 3 licensing actions were denied (or voided) because of deficiencies in the application and pre-licensing site visit (PLSV). Pursuing the criminal history check can allow the agency to identify an individual or deter future requests from individuals who may want to obtain a license for illegitimate reasons. Furthermore, the new PLG incorporated a tool so that withdrawals, suspension, or denials (voids) are tracked in order to identify if a certain individual or group is trying to obtain a license for illegitimate uses. Language was added to provide the alternative to deny (void) the action, however, the guidance now includes a step such that the regulatory authority should send that information to NMSS/MSST/SMPB for tracking using Attachment 4.</td>
</tr>
<tr>
<td>3</td>
<td>OAS</td>
<td></td>
<td>A criminal history check could be a good option but it is harder to justify as a requirement.</td>
<td>NA</td>
<td>It is only required when the license reviewer cannot establish a basis for confidence as part of the TAR process in Step 3 and believes further evaluation is warranted.</td>
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<td>4</td>
<td>OAS</td>
<td>Step 1, Question 2</td>
<td>The guidance does not address how to evaluate the criminal history check. For a large company, who should the criminal history check be for? The CEO? The RSO? Authorized users?</td>
<td>NA</td>
<td>According to the guidance, the criminal history should be for the applicant requesting the license and/or the Radiation Safety Officer. However, the State can determine the level of management and staff it wants to evaluate, and how to assess the resultant criminal history information to inform the licensing decision.</td>
</tr>
<tr>
<td>5</td>
<td>OAS</td>
<td>Step 1, Worksheet, question 2</td>
<td>Does a &quot;No&quot; answer to any of the sub-questions in Step 1, Question 2, mean that the Question should have a &quot;no&quot; in the last column?</td>
<td>NA</td>
<td>No. The questions are not all inclusive and are meant to provide the minimum amount of information that would be preferred when justifying a &quot;yes&quot; using this pathway. However, the license reviewer can use other information to gather a preponderance of evidence to show that this is a viable pathway.</td>
</tr>
<tr>
<td>6</td>
<td>OAS</td>
<td>Step 1</td>
<td>If Step 1 is being implemented for transfer of control, can a business registration for a &quot;holding company&quot; or company that simply buys other companies, and is not involved in operations of the license, be a basis of confidence? (see attached business registration as example).</td>
<td>Yes</td>
<td>Comment #17 provided by the OAS, which was accepted and incorporated into the document addresses this question.</td>
</tr>
<tr>
<td>7</td>
<td>OAS</td>
<td>Step 2</td>
<td>Step 2 (page 3): The steps should be listed in a more logical order. For example, Section 03.03 (page 15) says that the pre-licensing site visit should be the final consideration in Step 2, yet it is listed as Item L, with several steps after it.</td>
<td>Yes</td>
<td>Page 15 was modified to be consistent with the order of the information in Step 2. The items after the PLSVs would only be considered when the license reviewer cannot establish a basis for confidence that radioactive material will be used as intended with the information from criteria A – L.</td>
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<td>8</td>
<td>OAS</td>
<td></td>
<td>On the Step 2 checklist, Criteria P, Q and R are confusing. Is Criterion P actually a heading for Steps Q and R? Items P, Q and R should be visually separated from the rest of the checklist. On page 11 (flowchart) and page 14 (03.02c), reviewers are instructed only to use Items P, Q and R if additional evaluation of the applicant is warranted (i.e., if the basis for confidence in Step 2 is &quot;NO&quot;). This is not clear from the way the checklist is currently constructed. Items P, Q and R should go under the Summary box.</td>
<td>Yes</td>
<td>The criteria in P, Q, and R were modified to clarify the flow in which things will get reviewed. The individual performing the PLSV would verify security (criterion N) of the radioactive material and check for any examples of suspicious information from an Applicant (criterion O).</td>
</tr>
<tr>
<td>9</td>
<td>OAS</td>
<td></td>
<td>Typo on Attachment 2, &quot;A&quot; - second bullet - should be &quot;facilities&quot;</td>
<td>Yes</td>
<td>Done</td>
</tr>
<tr>
<td>10</td>
<td>OAS</td>
<td></td>
<td>&quot;Attachment 2&quot;, Criteria &quot;P&quot; (page 19) indicates an application should be voided if additional check of applicant information is needed. Is that correct? If so, it should be 1 indicated in the Step 2 checklist.</td>
<td>Yes</td>
<td>Language was added to clarify what the license reviewer would need to do if the application is withdrawn, suspended or denied in Step 2.</td>
</tr>
<tr>
<td>11</td>
<td>OAS</td>
<td></td>
<td>When are applicants notified that NRC may be doing a background check on them? Do all Agreement States have the authority to conduct criminal history checks of applicants?</td>
<td>NA</td>
<td>Applicants would be notified as part of Step 3, if the license reviewer has not been able to establish a basis for confidence that radioactive material will be used as intended as part of Step 2 or has security concerns prior to the PLSV. The license reviewer would use the screening criterion Q, &quot;Additional Check of Applicant Information.&quot;</td>
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# Comment Resolution

## Draft Revision to Pre-Licensing Guidance

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<tr>
<td>12</td>
<td>OAS</td>
<td></td>
<td>Pages 12-13 state three times within one page that the good faith presumption should be suspended until the license reviewer can establish a basis for confidence that the material will be used as intended. Sufficient attention is drawn to this matter in the box at the beginning of 03.02. Delete from 03.01b and 03.02a.</td>
<td>No</td>
<td>The good faith presumption is used in several pages because it is being highlighted in different sections of the guidance document. On page 12, it is in the Step 1 - Initial Screening section, while on Page 13 it is in the Step 2 – Additional Screening Criteria and Pre-Licensing Site Visit. It should remain in both because if a license reviewer only reads the section where they need further clarification, then they are reminded that the good faith presumption should be suspended. The language in the box is used to highlight important information currently in the text. It was modified to provide a definition of the good faith presumption.</td>
</tr>
<tr>
<td>13</td>
<td>OAS</td>
<td></td>
<td>03.02c (page 14) instructs reviewers to void the application if the reviewer needs to use screening criteria P &quot;Additional Check of Applicant Information.&quot; This does not match the flowchart presented on page 11.</td>
<td>Yes</td>
<td>The flowchart was updated to be consistent with what is written in 03.02c (now 03.02e) per your comment (comment 15).</td>
</tr>
<tr>
<td>14</td>
<td>OAS</td>
<td></td>
<td>The last sentence of 03.02c does not obviously connect with the rest of the paragraph. Recommend deleting this sentence.</td>
<td>Yes</td>
<td>The sentence was removed because a link to &quot;Escalated Enforcement Actions Issued to Individuals&quot; was included in Attachment 2.</td>
</tr>
<tr>
<td>15</td>
<td>OAS</td>
<td></td>
<td>Move paragraph 03.02c after 03.02f.</td>
<td>Yes</td>
<td>Done</td>
</tr>
<tr>
<td>16</td>
<td>OAS</td>
<td></td>
<td>03.03 (page 15) Revise 4th line to say &quot;All storage and use locations should be visited ... &quot; to match the guidance in 03.02e as well as on pages 20 and 21.</td>
<td>Yes</td>
<td>Done</td>
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<tr>
<td>17</td>
<td>OAS</td>
<td></td>
<td>Please consider this suggested question #6 for Step 1. This could help avoid needless visits to existing licensees that are transferring control with no changes to the program at all: Is this a request for written consent to a transfer of stock or other assets only and authority over the licensed daily activities has not changed? 1) Does the information requested in Appendix E of NUREG-1556 Volume 15, Rev. 1, indicate that the radiation safety and training program, facilities, radioactive material and equipment, and the Radiation Safety Officer will be unaffected by the transfer? 2) Has the information been confirmed in writing by the current Administrator or RSO? If the answer is &quot;yes&quot;, there is no need to go to Step 2 and conduct the Pre-approval visit.</td>
<td>Yes</td>
<td>The question was incorporated into Step 1.</td>
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**Comment Resolution**

**Draft Revision to Pre-Licensing Guidance**

<table>
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<tr>
<th>Wisconsin</th>
<th>18 Wisconsin</th>
<th>No</th>
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<tr>
<td>a) Wisconsin recommends that the criminal history check be removed from the proposed pre-licensing process for the following reasons:</td>
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<td>□ It is unclear why a criminal history check would be a basis for confidence that the new applicant will use radioactive materials as specified on a license after an adequate basis for denial is determined in Steps 1 and 2. The criminal history check can only strengthen the case for denial of a license. A “clean” criminal history does not balance out or account for deficiencies that resulted in using step 3.</td>
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<td>□ There is currently no statute or law explicitly precluding an individual from obtaining a radioactive materials license due to previous criminal conviction; using criminal history introduces additional reasonability tests for the reviewer and will raise legal liability questions if inconsistently or arbitrarily applied. Wisconsin has concerns in applying the criminal history check consistently across jurisdictions.</td>
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<td>□ Licensees are often legal entities (not individuals) for which a criminal history check can’t be performed. There is not enough information in the guidance to justify the targeting of senior management and RSO for confidence that the new applicant will use radioactive materials as specified on a license. Presumable the use of step 3 would be the result of suspicious information or activities of the senior management or RSO in addition to the application signatory, other individuals involved in the pre-licensing process, owners, and proposed material users. Preselecting the individuals to check by position title may not reflect the context of the information gathered in steps 1 and 2. Furthermore, any criteria comprehensive enough to ensure safety and security in addition to acting as a deterrent would be overly burdensome when given there</td>
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The Pre-Licensing Working Group (WG) recommended adding a Consent to Perform Criminal History Background Checks – to the revised Checklist. The recommendation added a sample form to obtain consent for a background check for all unknown entities or new owners. This step was designed as an intermediate step to Step 3. Observations by NRC and AS programs showed that the directions of the 2008 Pre-Licensing Checklist, Step 3, to submit a TAR for suspicious information were unclear. This intermediate step would have been used when information obtained by the reviewer was incomplete, but not necessarily suspicious. In those instances, the reviewer would submit the consent form(s) to request assistance from the Region-based Office of Investigation (OI) staff or Headquarters to obtain information not present in the application. Step 3 would still be used where the reviewer or inspector observes that the applicant has provided suspicious information. However, the steering committee disagreed with that approach. Therefore, the consent form was incorporated into Step 3 and will only be collected from applicants that have already been determined to be suspicious, or at least remain unknown from other aspects of the review. Any collected background check consent form would be submitted as part of the TAR.
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<td>is already enough information from steps 1 and 2 to not issue the license.</td>
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<tr>
<td>19</td>
<td>Wisconsin</td>
<td></td>
<td>Wisconsin recommends that the criminal history check portion be clearly optional for Agreement States and only applied if specifically requested in the TAR.</td>
<td>No</td>
<td>The NRC has become aware that there are some Agreement States that cannot legally perform a criminal history background check. In those cases, the Agreement State should justify why they would not use the criminal history background check in Step 3, if they cannot establish a basis for confidence that radioactive material will be used as intended in Step 2. The Agreement State would still be required to submit the form in attachment 4, “Withdraw, Suspend, Deny,” for tracking purposes in accordance with the guidance if a basis for confidence cannot be established.</td>
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### Comment Resolution

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<tbody>
<tr>
<td>20</td>
<td>Wisconsin</td>
<td></td>
<td>If criminal history checks are added to the pre-licensing guidance, Wisconsin makes the following comments:</td>
<td>No</td>
<td>The intent of the guidance is for the consent form not to be obtained for all unknown applicants. The consent form should only be used when a license reviewer is unable to independently verify information contained in the license application or during the PLSV. In addition, Agreement States have the flexibility of modifying the guidance to make it more restrictive. Therefore, the actions proposed in the comments can be incorporated into a more restrictive modified version of the PLG as presented.</td>
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<td></td>
<td></td>
<td></td>
<td>□ The guidance should clarify when applicants will be notified that a criminal history check is part of the pre-licensing process. Wisconsin recommends that consent should be obtained in Step 2 during the site visit. This will increase the impact of the check as a deterrent and informs the applicant about the process.</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>□ The guidance should consider the structure of the applicant’s organization and be prescriptive as to who, within an organization, needs to have a criminal history check performed. The guidance flatly prescribes senior management and RSO; this appears a token effort and would not be informative on an applicant for which other information could not already be verified. For a large company, further consideration should be given for who the criminal history check should be performed on such as the application signatory and users of material.</td>
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<td></td>
<td>□ It should be clarified it the TAR request in step 3 will result in a recommendation that the Agreement State should follow or will the TAR request result in information for the Agreement State to review? The guidance should include information adjudicating the context and relevance of any criminal history information; similar to criteria given in steps 1 and 2.</td>
<td></td>
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<tr>
<td>21</td>
<td>Wisconsin</td>
<td></td>
<td>On Step 2, under “fee payment” it references “Milestone 7”, not all Agreement States use WBL so this may be confusing. This milestone should either be defined in the document or not used at all.</td>
<td>No</td>
<td>The milestone is an example of what type of information an NRC license reviewer needs to verify before issuing the license. Agreement States have the flexibility to tailor the examples provided in the guidance document that are applicable to their State.</td>
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<td>22</td>
<td>Wisconsin</td>
<td></td>
<td>On Step 2 and attachment 2, “RSRM” should be spelled out. Or at least defined somewhere in the document.</td>
<td>Yes</td>
<td>Done</td>
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<td>23</td>
<td>New York</td>
<td></td>
<td>The title says “…as Specified on the License”. For an applicant for a new license, there is no license. Maybe there is a better title.</td>
<td>Yes</td>
<td>The title was modified to “… as Specified on the Application”</td>
</tr>
<tr>
<td>24</td>
<td>New York</td>
<td></td>
<td>Question 1. I think a former licensee that was terminated under favorable circumstances in a recent timeframe (2 years?) and is essentially seeking to get back into business, should be considered eligible for a “yes” response.</td>
<td>Yes</td>
<td>Agreement. A question was added to the Pre-Licensing Guidance with specific conditions on when this is acceptable. Specifically, the license reviewer would refer to NURG-1556, Volume 20’s checklist on “Identification of Significant Licensing Action and/or Program Code Change” to ensure none of the conditions in this checklist apply. If there are no significant licensing actions or program code changes the applicant will be considered a known entity.</td>
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<td>25</td>
<td>New York</td>
<td></td>
<td>Question 4. This is somewhat confusing. Is it applicable only to an existing license that will be transferred from NRC to a new Agreement State? And if so, why would it be necessary for the new Agreement State to perform pre-licensing for administrative transfer of licensees from NRC jurisdiction to Agreement State jurisdiction? The NRC and the Agreement State could handle the transfer in a manner that avoids this unnecessary administrative burden, i.e., a blanket approval or acknowledgement that all transferred licensees are known entities.</td>
<td>NA</td>
<td>Question #4 was only applicable to the NRC. However, that question was deleted because the NRC no longer changes license numbers when a licensee changes their mailing address to a new state. The historical process for a case where a licensee moved from one State to another had been to terminate the original license and issue a new license with a new state code in the license number. With the implementation of WBL, greater efficiency in searching for license information and the inclusion and updating of state codes in the license number is no longer necessary.</td>
</tr>
<tr>
<td>26</td>
<td>New York</td>
<td></td>
<td>We would be in a better position to comment if we had the opportunity to “test drive” the procedure with an applicant or two who turn out to be unknown entities. Has NRC had a chance to test the revised procedure on unknown applicants?</td>
<td>NA</td>
<td>The NRC has not had an opportunity to test the revised procedure. However, the procedure is similar to the PLG (RCPD 08-020) being replaced with additional enhancements based on vulnerabilities identified by the Pre-Licensing Working Group formed in light of the 2015 GAO sting.</td>
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<tr>
<td>27</td>
<td>Illinois</td>
<td></td>
<td>Although this document is used for all licenses, it apparently is only used for new applications or change of ownerships. Illinois currently requires it for a host of requested amendments including change in RSO, new users, new AMPs, adding/deleting a use or storage location and adding radioactive material in category 2. Almost any addition to an existing site could be an attempt to divert material and needs to be screened. This document even allows a company with a previous license to circumvent Step 2. IEMA has had several instances where a company had a previous license, but no one associated with the previous operation was listed in the new application.</td>
<td>No</td>
<td>The pre-licensing guidance is for new applicants or changes of control to determine whether the applicant or new owner is a known or unknown entity. Therefore, the guidance does not apply to amendments to licenses for changes in RSO, AUs, adding/removing a site, etc.</td>
</tr>
<tr>
<td>28</td>
<td>Illinois</td>
<td></td>
<td>In Step 2, Item L., IEMA is especially concerned that no pre-licensing visit is conducted for adding a new use/storage location and that the licensee can simply commit to the requirements with no on-site verification. This verification is not even required for category 2 locations. Step 2 should be performed for any licensee increasing possession limits to category 2 levels. IEMA also does not perform a pre-licensing visit for security reasons prior to a facility being completed. This seems counter intuitive based on recent events. We may make several visits to verify engineering and shielding commitments but would always perform final security visit prior to issuing the license.</td>
<td>No</td>
<td>The pre-licensing guidance is for new applicants or changes of control to determine whether the applicant or new owner is a known or unknown entity. Therefore, the guidance does not apply to current licensees looking to add new locations of use. However, the Risk Significant Radioactive Materials (RSRM) Checklist should be used for licensees that may aggregate equal or greater to Category 2 quantities. In the RSRM Checklist, an on-site security review may be required for licensees adding a new location of use.</td>
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<td>29</td>
<td>Illinois</td>
<td></td>
<td>In Step 3, it is greatly appreciated that the Agreement States can submit a TAR package for these security and other issues if we reach an impasse. Our Regional Liaison Officer has been extremely helpful in this regard. In Step 3.a., how many people does NRC intend to background check? Currently, IEPA requests due diligence from unknown entities including corporate CEOs, RSOs and users. This can be an exhaustive and expensive search. Finally, please clarify what is included in the ‘Criminal History and Background Check.’ We hope and suggest that it includes everything in 10 CFR 37.25.</td>
<td>NA</td>
<td>The NRC will only perform criminal history background check for applications where the license reviewer cannot determine a basis for confidence that material will be used as intended. The criminal history background check will not be as extensive as the 10 CFR Part 37 requirements. It is only for criminal history.</td>
</tr>
<tr>
<td>30</td>
<td>Illinois</td>
<td></td>
<td>In Attachment 2, Item A, the word “facilitates” should be “facilities.”</td>
<td>Yes</td>
<td>Done</td>
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<tr>
<td>31</td>
<td>Illinois</td>
<td></td>
<td>Attachment 2, Item I, contains good information on various websites to search different topics (e.g., information pertaining to merging companies, etc.)</td>
<td>NA</td>
<td>Thanks.</td>
</tr>
<tr>
<td>32</td>
<td>Illinois</td>
<td></td>
<td>In Attachment 2, Item O-P, please clarify what steps staff are to take and sites staff are to surf to find suspicious activity. Many state agencies are blocked from searching LinkedIn, Myspace, Facebook and have no way to find unusual activities for individuals.</td>
<td>NA</td>
<td>Attachment 2 has suggestions on how you can obtain the different information. However, it is not all inclusive. The agency can use the website or searches that they deem are adequate to complete each criterion.</td>
</tr>
<tr>
<td>33</td>
<td>Colorado</td>
<td></td>
<td>Would a state level background check satisfy the guidance of Step 3a or is a check through NRC's OI or NSIR preferred? Is there an associated fee for this service through the NRC?</td>
<td>NA</td>
<td>Yes, a state level background check should satisfy it. The process described in the guidance is the NRC’s process, and the States can adjust that to their process when conducting background checks. Yes, there would be a fee if the service is requested through the NRC.</td>
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<tr>
<td>34</td>
<td>Colorado</td>
<td></td>
<td>Management Directive 5.7 requires the Agreement State to pursue alternative means for information and assistance before requesting NRC assistance. Would there be anything expected beyond the steps taken in 1 through 3a for an Agreement State to pursue before submitting a Technical Assistance Request?</td>
<td>NA</td>
<td>No, in the PLG there should be descriptions associated to every field in Step 2, including what the license reviewer did to confirm each field in the table (as applicable). That information should show all the efforts made to evaluate the new applicant.</td>
</tr>
</tbody>
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