

August 29, 2007

MEMORANDUM TO: Chairman Klein
Commissioner McGaffigan
Commissioner Jaczko
Commissioner Lyons

FROM: Luis A. Reyes **/RA/**
Executive Director for Operations

SUBJECT: CONTRACTOR DRUG TESTING IMPLEMENTATION PLAN

By memorandum dated March 19, 2007, SECY-07-0052, the Commission approved the staff's recommendation to expand the current drug testing program to include the U.S. Nuclear Regulatory Commission (NRC) contractors who are in sensitive positions and those who admit to recent illegal drug use. This memorandum required the staff to submit an implementation plan for contractor drug testing along with detailed resource estimates. Enclosure 1 is an implementation plan for contractor drug testing. Enclosure 2 is a resource estimate for implementing the contractor drug testing program.

The staff estimates total start-up and recurring costs for implementation to be \$219K and \$19K, respectively, with one full-time equivalent to implement and provide ongoing operational support for this program. These estimates were based on contractor data contained in the agency Integrated Personnel Security System (IPSS). The Office of Administration (ADM) will be working with the project officers to identify those contracts and, more specifically, the pool of individuals under those contracts who will be subject to the Contractor Drug Testing Program. The majority of the start-up cost (an estimated \$200K) is for modifications to be made to IPSS to collect and maintain the necessary data, and incorporate a tracking system and random generator for contractor drug testing.

The staff also developed a draft Contractor Drug Testing Plan (Enclosure 3) that was provided to the Office of the General Counsel (OGC) and the Division of Contracts (DC), ADM, for review and comment. The draft Contractor Drug Testing Plan requires that the subject contractors sign a statement that they have received notice, and will abide by the terms, of the NRC's policy pertaining to illegal drug use. The statement will be signed prior to the contractor being allowed to work on an NRC contract. On August 3, 2007, OGC concurred in the plan, indicating "no legal objection." DC expects to complete its review by September 14, 2007, and is also working closely with OGC to finalize a contract clause for drug testing that will be incorporated into new and existing contracts.

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Staff will keep the Commission informed on the progress of implementing this program.

Enclosures:

1. Contractor Drug Testing
Implementation Plan
2. Resource Requirement Estimates
for Contractor Drug Testing
3. Draft Contractor Drug Testing Plan

cc: SECY
OGC
OCA
OPA
CFO

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cc: SECY
OGC
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OPA
CFO

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