

(c) After receipt of a request for the waiver or reduction of fees made in accordance with § 9.41, the NRC shall either waive or reduce the fees and notify the requester of the NRC's intent to promptly provide the agency records or deny the request and provide a statement to the requester explaining why the request does not meet the requirements of § 9.41(b).

(d) As provided in § 9.29, a requester may appeal a denial of a request to waive or reduce fees within 30 days to the Executive Director for Operations.

§ 9.45 Annual report to Congress.

(a) On or before March 1 of each calendar year, the Chairman of the NRC will submit a report covering the preceding calendar year to the Speaker of the House of Representatives and President of the Senate for referral to the appropriate committees of the Congress. The report includes—

(1) The number of determinations made by the NRC to deny requests for records made to the NRC under this part and the reasons for each determination;

(2) The number of appeals made by persons under § 9.29, the results of the appeals, and the reason for the action taken on each appeal that results in a denial of information;

(3) The names and titles or positions of each person responsible for the denial of records requested under this section, and the number of instances of participation for each;

(4) The results of each proceeding conducted pursuant to 5 U.S.C.

552(a)(4)(F), including a report of the disciplinary action taken against the officer or employee who was primarily responsible for improperly withholding records, or an explanation of why disciplinary action was not taken;

(5) A copy of every rule the NRC published affecting this part;

(6) A copy of the fee schedule and the total amount of fees collected by the NRC for making records available under this part; and

(7) Any other information that indicates efforts to administer fully the provisions of 5 U.S.C. 552.

(b) The NRC shall make a copy of each report submitted to the Congress under paragraph (a) of this section available for public inspection and copying in the NRC Public Document Room.

10. Section 9.85 is revised to read as follows:

§ 9.85 Fees.

Fees shall not be charged for search for or review of records requested pursuant to this subpart or for making copies or extracts of records in order to

make them available for review. Fees established pursuant to 31 U.S.C. 483c and 5 U.S.C. 552a(f)(5) shall be charged according to the schedule contained in § 9.35 of this part for actual copies of records requested by individuals, pursuant to the Privacy Act of 1974, unless the Director, Division of Rules and Records, waives the fee because of the inability of the individual to pay or because making the records available without cost, or at a reduction in cost, is otherwise in the public interest.

11. Section 9.100 is revised to read as follows:

§ 9.100 Scope of subpart.

This subpart prescribes procedures pursuant to which NRC meetings shall be open to public observation pursuant to the provisions of 5 U.S.C. 552b. This subpart does not affect the procedures pursuant to which NRC records are made available to the public for inspection and copying which remain governed by Subpart A, except that the exemptions set forth in § 9.104(a) shall govern in the case of any request made pursuant to § 9.23 to copy or inspect the transcripts, recordings, or minutes described in § 9.108. Access to records considered at NRC meetings shall continue to be governed by Subpart A of this part.

12. In § 9.200, paragraph (b) is revised to read as follows:

§ 9.200 Scope of subpart.

(b) For purposes of this subpart, the term "employee of the NRC" includes all NRC personnel as that term is defined in § 9.3 of this part, including NRC contractors.

Dated at Washington, DC, this 23rd day of December 1987.

For the Nuclear Regulatory Commission.

Samuel J. Chilk,

Secretary of the Commission.

[FR Doc. 87-29904 Filed 12-30-87; 8:45 am]

BILLING CODE 7590-01-M

10 CFR Parts 2, 30, 40, 50, 55, 60, 61, 70, 71, 72, 110 and 150

Completeness and Accuracy of Information

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule and statement of policy.

SUMMARY: The NRC is amending its regulations to codify the obligations of licensees and applicants for licenses to provide the Commission with complete and accurate information, to maintain accurate records and to provide for disclosure of information identified by licensees as significant for licensed activities. This action re-emphasizes the NRC's need to receive complete, accurate, and timely communications from its licensees and license applicants if the NRC is to fulfill its statutory responsibilities. In addition, the Commission is revising its Enforcement Policy to reflect the new rule.

EFFECTIVE DATE: February 1, 1988.

FOR FURTHER INFORMATION CONTACT: Mary E. Wagner, Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Telephone: (301) 492-1683.

SUPPLEMENTARY INFORMATION:

I. Background

On March 11, 1987, the Nuclear Regulatory Commission published in the *Federal Register* (52 FR 7413) a proposed rule to codify an applicant's and licensee's obligation to ensure the completeness and accuracy of its communications with the Commission, to maintain accurate records and to report to the NRC information identified by the applicant or licensee as having a significant implication for the public health and safety or common defense and security.

As discussed in the statement of considerations that accompanied the proposed rule, accuracy and forthrightness in communications to the NRC by licensees and applicants for licenses are essential if the NRC is to fulfill its responsibilities to ensure that utilization of radioactive material and the operation of nuclear facilities are consistent with the health and safety of the public and the common defense and security. Several provisions of the Atomic Energy Act highlight the importance of accurate information. Section 186 provides that:

Any license may be revoked for any material false statement in the application or any statement of fact required under section 182 ***

Section 182 provides that:

The Commission may at any time after the filing of the original application, and before the expiration of the license, require further written statements in order to enable the Commission to determine whether the application should be granted or denied or whether a license should be modified or revoked. All applications and statements shall be signed by the applicant or licensee.

Applications for and statements made in connection with, licenses under sections 103 and 104 shall be made under oath or affirmation. The Commission may require any other applications or statements to be made under oath or affirmation.

This need for accuracy in communications has been emphasized through the adoption in licensing provisions, although not on a uniform basis, of requirements regarding the submission of applications. See, e.g., 10 CFR 50.30(b), 55.10(d), 61.20(a), 70.22(e) and 72.11(b).

The Commission's expectation of accuracy in communications has not been limited to written information submitted in applications. The Commission's decision in a 1976 enforcement action taken against a utility established a comprehensive requirement for applicants and licensees to provide complete and accurate information to the Commission. In that case, false statements were alleged to have been made in the utility's submissions to the Commission on the geology of the plant site. Omissions of information by the utility were also evaluated: Two were failures to present evidence at the Licensing Board construction permit hearings about suspected faulting and the third omission was the utility's failure to provide the Board or staff with reports prepared by its geology consultant. In its decision, the Commission concluded "that the material false statement phrase in the Atomic Energy Act may appropriately be read to require full disclosure of material data". Virginia Electric & Power Company (North Anna Power Station, Units 1 and 2), CLI-76-22, 4 NRC 480 (1976), aff'd, 571 F.2d 1289 (4th Cir. 1978) (hereinafter VEPCO). The Commission decided materiality is to be judged by whether information has a natural tendency or capability to influence an agency decisionmaker; that knowledge of the falsity of a material statement is not necessary for a material false statement under section 186 and that material omissions are actionable to the same extent as affirmative material false statements.

Under this standard, both the inaccurate written statements and the omissions made by the utility in that case were subject to civil penalties. In subsequent years, the Commission took a number of enforcement actions for material false statements. These enforcement actions included the following factual situations: omission of information about receipt of draft reports during oral statements made in an informal meeting between the staff and a licensee; statements in a telephone call, letter and oral briefing

that mobile sirens forming part of a licensee's prompt public notification system were installed and operational, when in fact they were not; oral statements to an NRC inspector that licensed material had not been out of storage, when in fact it had been used; and erroneous statements in response to an IE Bulletin concerning the use of certain lubricants and fasteners.

The Commission's General Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C, originally published on March 9, 1982 (47 FR 9987), specifically dealt with enforcement for material false statements. In March 1984, after several years of handling enforcement cases under the VEPCO holding and this enforcement policy, the Commission specifically solicited comments on whether the Commission should consider changes to its policy on material false statements. (49 FR 8584, March 8, 1984). Comments received in response to this solicitation were summarized in the March 11, 1987 notice.

On August 31, 1984 the Commission formally established the Advisory Committee for Review of the Enforcement Policy, a small committee of individuals selected from outside the agency, to conduct an in-depth study of the enforcement program. (49 FR 35273, September 6, 1984). In addition to considering the comments already submitted to the Commission, the Committee solicited further comments from interested persons on the extent to which the NRC's enforcement policy had been serving the purposes announced by the Commission, including the policy on material false statements. (50 FR 1142, January 9, 1985). Public meetings were held by the Committee during which 46 witnesses drawn from NRC staff, licensees, industry groups and law/consulting groups gave testimony to the Committee, many of whom commented on the material false statement policy. The Committee's conclusions and recommendations are summarized in the March 11, 1987 Federal Register notice proposing this rule.

II. Analysis of Public Comments

In response to the March 11, 1987 Federal Register notice, the Commission received comments from 23 organizations and individuals, including utilities, law firms, citizens' organizations, a medical physicist, a commercial testing laboratory, and other members of the public. Copies of the comments may be examined in the Commission's Public Document Room at 1717 H Street NW., Washington, DC. The comments, summarized and

responded to below, have been categorized under the following topics: (1) Licensee notification of significant information; (2) legal issues; (3) material false statements; and (4) completeness of information.

Licensee Notification of Significant Information

Many commenters opposed the adoption of paragraph (b) of the regulation, in its entirety. A variety of reasons were given as to why paragraph (b) should not be adopted.

Comment: Several commenters expressed the view that the reporting requirements of paragraph (b) are vague and difficult to implement; what is "significant" is not defined, and cautious licensees will flood the Commission with information.

Response: The Commission believes that the requirements of proposed paragraph (b) are sufficiently clear that licensees will be able to determine when reporting is required. The standard for reporting is not so broad that licensees should have difficulty recognizing it. For example, the rule does not require licensees to predict what the NRC will likely deem to be "material" information, an arguably vague standard; rather, the standard is one of a licensee's own recognition of information with significant health or safety or common defense or security implications. This is a standard that the Commission should reasonably expect licensees to understand and apply. Moreover, the notice of proposed rulemaking gives guidance, in the form of examples, as to what could indicate recognition by licensees of the significance of the information. As noted in VEPCO, no specific set of regulations can be expected to cover all possible circumstances; within this constraint, the Commission believes the requirements of paragraph (b) are clearly set forth.

Comment: One commenter expressed the view that the provision that the requirement is "not applicable to information * * * required to be provided * * * by other requirements" could be interpreted to mean that paragraph (b) does not apply to power reactors.

Response: The provision that the rule is "not applicable to information * * * required to be provided * * * by other requirements" is intended to make clear that the rule requires the reporting of residual information not covered by one of the specific reporting requirements, and is not intended to exempt power reactor licensees from the provision.

Comment: Some commenters expressed the view that paragraph (b) is unnecessary. They felt that paragraph (a) of the proposed regulation provides the necessary degree of confidence that information that is significant enough to have implications for the public health and safety or the common defense and security will be provided to the Commission. In the same vein, others noted that the Commission cites no instance where a licensee discovered, but was able to conceal, some significant information because it was not specifically reportable; therefore, since no need for the requirement has been identified, it should not be imposed.

Response: No specific set of reporting requirements, such as those already existing under NRC regulations, can ever be expected to cover all possible circumstances, and for this reason a residual requirement is considered appropriate.

Comment: Several commenters thought that the two-day period for notification of the appropriate Regional Administrator was not long enough.

Response: The Commission believes that, once a licensee recognizes information as having significant implications for public health and safety or the common defense and security, two working days is ample time in which to report the information. As noted below, this notification may be oral.

Comment: One commenter questioned whether the notification was to be oral or in writing.

Response: The notification may be oral.

Comment: One commenter saw some ambiguity in the proposed rule with respect to the relationship between paragraph (a) and paragraph (b); since the intent element of paragraph (b) does not apply to omissions under paragraph (a), and most information can be linked to some licensing submittal or construed to be covered by paragraph (a). It was suggested that the rule be clarified to include all omissions under paragraph (b), to avoid an "overly broad" enforcement policy.

Response: The Commission does not wish to limit violations for omissions to situations involving an element of intent, as the commenter has proposed. Paragraph (a) and paragraph (b) impose two distinct requirements. Paragraph (a) codifies an applicant's and a licensee's obligation to ensure accuracy and completeness of communications with the Commission or in records required by the Commission to be maintained. Paragraph (b) pertains to a licensee's obligation to report information

identified by the licensee as significant, notwithstanding a non-reportability determination under other reporting requirements. While intent is an appropriate element of a violation under paragraph (b), it is not a necessary element of a violation under paragraph (a).

Comment: One commenter argued that proposed § 55.6b(b), which imposes a notification requirement that runs directly to individual licensed operators, interferes with managerial prerogatives and subjects individual operators to serving two masters.

Response: The Commission has decided to delete proposed § 55.6b(b) from the final rule. The Commission appropriately looks to the utility licensee to evaluate the safety significance of information identified by its employees, and to notify the NRC of information having significant safety or security implications. Employees are expected to notify company management of information of which they become aware that may have such implications. Appropriate company officials would then be required to determine the significance of the information and reportability to the Commission. NRC's adoption of a rule which would place on the individual operator an obligation to report information directly to NRC, independent of the employee's obligation to report such information to his employer, would place the individual in a situation involving potential conflict with his management (if the employee thought the information was significant and his employer did not), without appreciably enhancing the agency's ability to obtain needed safety information. Section 55.6a(a) of the proposed rule is being retained, and appears as § 55.9 in the final rule.

Comment: A number of commenters criticized the rule for imposing a reporting requirement only on information which an applicant or licensee determines to be significant. Some thought this provision will allow licensees to evade the rule by never finding any information to be significant. One commenter said that leaving the decision to the utilities as to what is "significant" essentially amounts to an abdication of responsibility by the NRC.

Response: While deference is being given the licensee under the rule, it is not absolute nor is it an abdication of the NRC's responsibilities. A licensee cannot evade the rule by never "finding" information to be significant. The fact that a licensee considers information to be significant can be established, for example, by the actions taken by the licensee to evaluate that information.

Thus, even though the rule contains a subjective test in requiring reporting of information a licensee recognizes as significant, there are objective indicia of recognition that can be used by the NRC in determining whether a licensee in fact recognizes the significance of the information in question. The Commission believes that the rule as drafted, requiring reporting of significant information only when licensee recognizes it as such, offers more guidance to a licensee than a formulation which would require a licensee to try to predict what the Commission will deem to be material, and is sufficiently specific to discourage attempts to evade the rule.

Legal Issues

Comment: One commenter questioned the Commission's legal authority to impose an "additional recordkeeping requirement" and a "new notification requirement", arguing that section 182 of the Atomic Energy Act does not authorize the imposition of a generic recordkeeping requirement or generic notification requirement.

Response: The Commission has extensive statutory authority in addition to section 182 to require licensees and applicants to report complete information and to maintain accurate records. That authority is derived from the licensing provisions in the Atomic Energy Act and the rulemaking authority of section 161o of the Atomic Energy Act, which permit the imposition of reporting requirements and recordkeeping requirements. Neither Paragraph (a) of the new rule, which codifies an applicant's and licensee's obligation to ensure the accuracy of its communications with the Commission, nor paragraph (b), which codifies in modified form the "full disclosure" aspects of the VEPCO decision, creates any new obligations for licensees and applicants.

Comment: It was also argued that section 186 of the Atomic Energy Act permits revocation of a license only for a material false statement in connection with a license application or with statements provided in response to a request under section 182.

Response: The commenter's conclusion is based on his reading sections 182 and 186 of the Atomic Energy Act to say that a material false statement can exist only when the statement in question is contained in an application or sought by the NRC under section 182 of the Act. The commenter is both misreading section 186 and misconstruing the basis of authority for the new rule. One can make the

argument that a literal reading of the Atomic Energy Act requires a false statement to be in an application or a response sought by the NRC under section 182. However, the court in VEPCO held that the Commission's expanded interpretation of section 186 permitted the term "material false statements" to encompass omissions as well as affirmative statements. Moreover, the Commission's long standing practice since the VEPCO decision has been consistent with the VEPCO interpretation to reach statements and omissions not contained in an application or section 182 response.

More importantly, the new rule does not utilize the term "material false statement" and is not based solely on sections 186 and 182. Rather, the rule is also based on the licensing provisions of the Act and section 161. It is inconceivable that Congress would have established the broad regulatory authority in the Atomic Energy Act, which is considered unique, *Siegel v. AEC*, 400 F.2d 778, 783 (D.C. Cir. 1968), and not granted sufficient authority for the Commission to require communications, regardless of the format, to be complete and accurate. The public health and safety and common defense and security require no less. Under the new regulations, civil penalties would be authorized under section 234 because the regulations are issued under the enumerated licensing provisions in section 234(a)(1). In addition, a violation of these regulations would constitute a violation for which a license could be revoked under section 186. Under section 186, a license can be revoked for failure to meet a regulation, including the communication regulation. Finally, the Act permits a license to be revoked because of conditions which would warrant refusing to grant a license on an original application. Clearly, the Commission would not have issued a license to persons who were not committed to providing complete and accurate information to the Commission.

Material False Statements

Most commenters endorsed, as a positive proposal, the Commission's decision to exercise its discretion in the application of the term "material false statement" to miscommunications and limiting the use of the term to situations where there is an element of intent. They expressed the view that careful use of the label "material false statement" should assure that any adverse connotation associated with its use is justified.

Comment: A few commenters opposed narrowing the application of the term "material false statement". In their view, retention of the material false statement language (and its negative connotations) for a broad range of communication errors would provide more incentive for licensees to report information in a timely and complete fashion.

Response: As many commenters have pointed out, a charge of material false statement is equated by most people with lying and an intention to mislead. Because of this connotation, the Commission believes the charge should be reserved for such communication failures.

Under prior policy, a material false statement could be either an affirmative statement, oral or written, or an omission; and could be unintended and inadvertent as well as intentional. The Commission believes that application of the term material false statement to all of these situations is not as effective in improving accuracy and completeness of information as the reservation of this label as an additional enforcement tool in egregious situations. The rule will minimize the potential of persons not providing information because of a fear of being labeled as a submitter of a material false statement.

Comment: One commenter criticized the rule for not containing a definition of material false statement.

Response: The Commission has decided to exercise its discretion in the application of the term material false statement by limiting the use of the term to situations where there is an element of intent. As emphasized in the statement of considerations accompanying both the proposed rule and this final rule, the Commission is reserving the use of this label as an additional enforcement tool in egregious situations, which will be determined on a case-by-case basis. With the adoption of this rule, the Commission will have the mechanism to apply the full range of enforcement sanctions to inaccurate communications or records without reliance on the term material false statement. Thus, the label of material false statement is no longer significant from a legal perspective.

Moreover, the Department of Justice supports the Commission's decision not to define a material false statement, in view of the potential for confusion between the Commission's use of the term material false statement in its civil context and criminal prosecutions for material false statements under 18 U.S.C. 1001.

Comment: One commenter objected to the use of the term "careless disregard"

which is used in the statement of considerations accompanying the proposed rule to illustrate a situation where a material false statement label might be appropriate. To the commenter, the concept of "careless disregard" is appropriately used in the context of negligent behavior and not where there is an element of intent.

Response: The concept of "careless disregard" goes beyond simple negligence, as the term has been applied in judicial decisions defining willful conduct and as it has been applied by this agency. See, e.g., *Trans World Airlines, Inc. v. Thurston*, 83 L.Ed.2d 523, 537 (1985); *Reich Geo-Physical, Inc., ALJ-85-1*, 22 NRC 941, 982-63 (1985). "Careless disregard" connotes a reckless regard or callous our indifference toward one's responsibilities or the consequences of one's actions, and in that sense it appropriately describes circumstances in which the Commission may apply the term "material false statement."

Completeness of Information

Comment: One commenter thought that the requirement in paragraph (a) for "completeness of information", if interpreted in a strict sense, may encompass more than the NRC intended, and will exact superfluous information.

Response: Since the Commission, in requiring completeness of information, is not imposing a new requirement, it does not expect to see an increase in the amount of information reported by a licensee or applicant as a result of this codification of existing policy.

Comment: Another commenter expressed the view that reporting as much information as possible during an event can conflict with providing complete and accurate information; in practice, the requirement may limit information exchange during an incident to information known to be accurate.

Response: As described above, since the Commission, in requiring complete and accurate information, is not imposing a new requirement, it does not expect to see a significant change in licensee or applicant behavior in reporting as a result of this codification of existing policy.

Comment: Some commenters stated that oral communications should be excluded from the rule, on fairness grounds. One commenter noted that in telephone communications the data transmitted and the data received are not always identical in that people interpret communications within their own terms of reference. Moreover, when an inadvertent error is made in an oral communication, a call back to correct

the error, in the view of this commenter, would be an admission of a violation of the rule.

Response: The rule covers all communications. However, the Commission intends to apply a rule of reason in assessing completeness of a communication. For example, in the context of reviewing an initial application or a renewal application for a license, it is not uncommon for an NRC reviewer to seek additional information to clarify his or her understanding of the information already provided. This type of inquiry by the NRC does not necessarily mean that incomplete information which would violate this rule has been submitted.

Normally, an inadvertent error in an oral communication that is promptly corrected will not result in an enforcement action. Further guidance on oral communications is provided below in the discussion of Enforcement Policy associated with the rule.

Comment: One commenter noted that only a very small percentage of documents maintained by a licensee undergo the kind of scrutiny given to documents actually provided to the NRC as an affirmative representation of what it believes to be correct information on which the NRC should rely in licensing or regulating a plant. The commenter predicted a "compliance nightmare" if the standard of completeness were applied to all files generated for licensee's internal use, such as quality assurance (QA) files.

Response: It has always been implicit in the Commission's requirements that a licensee maintain certain records that those records accurately reflect the activities documented. An incomplete QA file is a violation of existing requirements. The explicit statement in paragraph (a) of the new rule of the standard of accuracy of records required by the NRC to be kept does not in any way change existing recordkeeping requirements or add to the kind or nature of records expected to be maintained.

III. The New Regulations

After careful consideration of all the comments received, the Commission has deleted proposed § 55.6b(b), which would impose a notification requirement, running directly to licensed operators and senior operators, for significant information, and otherwise adopted the amendments in the same form that they appeared in the March 11, 1987 Federal Register proposed rule.

The new regulations include identical provisions in Parts 30, 40, 50, 60, 61, 70, 71, 72, and 110 which contain two

elements: (a) A general provision which codifies the current policy which requires that all information provided to the Commission by an applicant or licensee or required by the Commission to be maintained by the applicant or licensee shall be complete and accurate in all material respects; and (b) a reporting requirement to replace the full disclosure aspects of the current material false statement policy that would require applicants and licensees to report to the NRC information identified by the applicant or licensee as having a significant implication for the public health and safety or common defense and security. The amendment to Part 55 contains the first element only. Section 150.20 is being amended to provide that when an Agreement State licensee is operating within NRC's jurisdiction under the general license granted by § 150.20, the licensee is subject to the above requirements.

These regulations are being issued under the Commission's authority in sections 62, 63, 65, 81, 82, 103, 104, 107, 161c, 161o, 182, and 274, as well as section 186, of the Atomic Energy Act of 1954, as amended. In addition, while section 186 can be read as addressing only material false statements made in certain contexts, the scope of the Commission's responsibilities under the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, as well as the Commission's decision in the VEPCO case and subsequent enforcement actions under that statement of the law, make it clear that the Commission has the inherent authority to require communications with the agency on regulatory matters to be complete and accurate regardless of their context. Under section 186 of the Atomic Energy Act, failure to observe any of the terms or provisions of any regulation of the Commission is an explicit basis for revocation of a license. Thus, with the adoption of these new regulations regarding accuracy in communications and records, a violation of paragraph (a) or (b) of the proposed rule may be grounds for revocation of a license as well as imposition of civil penalties under section 234 of the Atomic Energy Act.

The final rule codifies in a uniform manner an applicant's and a licensee's obligation, as articulated in the VEPCO decision, to ensure the accuracy of its communications with the Commission. The provision does not create any new obligations for licensees and applicants; rather, it describes in a regulation rather than in an adjudicatory decision, the standard for accuracy and completeness to be adhered to when supplying information to the agency or when

generating and maintaining records required to be kept by the Commission. The standard described in paragraph (a) of the proposed rule, "complete and accurate in all material respects," continues the degree of accuracy prescribed in the VEPCO decision; that is, any information provided to the Commission or maintained in records required by the Commission which has the ability to influence the agency in the conduct of its regulatory responsibilities must be complete and accurate.

Under this rule, not only material incorrect information, written or oral, but omitted information which causes an affirmative statement to be materially incomplete or inaccurate, will be subject to sanctions. The rule uses the phrase "provided to the NRC" rather than "submitted to the NRC" to indicate that all communications, oral or written, throughout the term of the license, not just at the application stage, are expected to be complete and accurate. The Commission intends to apply a rule of reason in assessing completeness of a communication. For example, in the context of reviewing an initial application or a renewal application for a license, it is not uncommon for an NRC reviewer to seek additional information to clarify his or her understanding of the information already provided. This type of inquiry by the NRC does not necessarily mean that incomplete information which would violate this rule has been submitted.

This new provision also makes explicit the requirement that records required to be maintained by the Commission must be complete and accurate in all material respects. It is clear that when the Commission establishes a requirement that a licensee generate records to document a particular licensed activity, inherent in that requirement is the expectation that those records will accurately reflect the activities accomplished. In the past, when the Commission has discovered that inaccurate or incomplete records have been developed or maintained, citations have been issued for violation of the underlying recordkeeping requirement. Now that the Commission is adopting a regulation which states a generic requirement for accuracy in information made available to the agency, it is deemed desirable to explicitly refer to information kept in records pursuant to Commission requirements for inspection by the NRC, as well as information submitted to the NRC, since the standard for accuracy and completeness is the same for all information in whatever form it is made

available to the Commission. This explicit statement of the standard of accuracy required for records does not in any way change existing recordkeeping requirements or add to the kind or nature of records expected to be maintained.

Like paragraph (a), paragraph (b) creates no new obligation to report information to the Commission. Rather, it merely codifies in a modified form the "full disclosure" aspects of licensees' and applicants' obligations established by the VEPSCO decision. In that decision the Commission recognized its obligation "to promulgate regulations which provide clear, comprehensive guidance to applicants and licensees," but went on to conclude that,

[T]he fact remains that no specific set of regulations, however carefully drawn, can be expected to cover all possible circumstances. Information may come from unexpected sources or take an unexpected form, but if it is material to the licensing decision and therefore to the public health and safety, it must be passed on to the Commission if we are to perform our task * * *

VEPCO at 489. Since the initial description of the "full disclosure" requirement in VEPSCO, however, reporting obligations for substantial additional categories of significant safety information have been affirmatively established, e.g., 10 CFR 21.21, and 10 CFR 50.72 and 50.73. Both material and reactor licenses contain numerous reporting requirements. Most safety information which a licensee may develop will likely be required to be reported by some specific requirement. Nevertheless, there may be some circumstances where a licensee possesses some residual information which could affect licensed activities but which is not otherwise required to be reported.

Therefore, the rule provides that if a licensee or an applicant identifies information which has significant implications for public health and safety or the common defense and security, it must be reported to the Commission. The rule makes clear that reporting under this section is not required if such reporting would duplicate information already submitted in accordance with other requirements such as 10 CFR 20.402-20.408, 21.21, 50.34, 50.71, 50.72, 50.73, and 73.71.

The purpose of the reporting requirement which is being imposed is to provide clear notice that if any applicant or licensee recognizes it has information with significant health or safety or common defense or security implications, the information must be reported to the NRC notwithstanding the absence of a specific reporting

requirement. Submission of a report depends upon the licensee's recognition of the significance of the information.

The codification of a full disclosure requirement in this manner should not result in additional burdens on applicants and licensees. Licensees and applicants will not be required to develop formal programs similar to those prescribed under 10 CFR Part 21 to identify, evaluate, and report information. What is expected is a professional attitude toward safety throughout a licensee's or applicant's organization such that if a person identifies some potential safety information, the information will be freely provided to the appropriate company officials to determine its significance and reportability to the Commission.

While paragraph (b) defers to the licensee's judgment of the significance of information, the licensee's "identification" of the significance of the information need not be in the form of a specific documented decision before a violation of the rule exists for failure to report. An applicant's or licensee's recognition of information as significant could be established by circumstantial evidence such as specific meetings being held to discuss the matter, analyses performed or other internal actions taken to evaluate the matter. In addition, abuse of a licensee's responsibility under paragraph (b), if not punishable as a violation of paragraph (b), could be addressed by the Commission under its authority to issue orders to modify, suspend or revoke a license. For example, an order would be appropriate where the action of a licensee in not recognizing the significance of the information and failing to report it, together with other relevant facts, raises serious questions about either its competency or its trustworthiness.

Finally, the Commission has decided to exercise its discretion in the application of the term material false statement by limiting use of the term to situations where there is an element of intent. A charge of material false statement is equated by the public and most people in the industry with lying and intention to mislead. Yet under the current policy, a material false statement under the Atomic Energy Act can be either an affirmative statement, oral as well as written, or an omission, and can be unintended and inadvertent as well as intentional.

This change recognizes the negative connotations which are associated by the public and the industry with the term material false statement but retains the use of this label as an additional

enforcement tool in egregious situations, which will be determined on a case-by-case basis. The Commission expects to use the term rarely because with the adoption of this rule, the Commission will have the mechanism to apply the full range of enforcement sanctions to inaccurate communications or records without reliance on the term material false statement. Consequently, the Commission sees no need to develop a specific definition of the term "material false statement."¹ The Department of Justice supports this approach in view of the potential for confusion from the Commission's use of the term material false statement in its civil context and criminal prosecutions for material false statements under 18 U.S.C. 1001. However, should a violation of the proposed requirement for complete and accurate information be labeled as a material false statement, it is expected that the communication failure will involve, for example, instances (1) where an inaccurate or incomplete written or sworn oral statement is made knowing the statement is inaccurate or incomplete, or with careless disregard for its accuracy or completeness; or (2) where an inaccurate or incomplete unsworn oral statement is made with a clearly demonstrable knowledge of its inaccuracy or incompleteness.

IV. Enforcement Policy

The Commission's existing material false statement policy is currently reflected in the General Statement of Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C (Enforcement Policy). Modifications to this policy to reflect the new rules and the changes to Commission policy announced here are being published concurrently with these new rules.

A violation of the regulations on submitting complete and accurate information, whether or not considered a material false statement, can result in the full range of enforcement sanctions. The labeling of a communication failure as a material false statement will be made on a case-by-case basis and will be reserved for egregious violations. Prior consultation with the Commission

¹ Any characterization or use which the Commission gives to the term material false statement as used in the Atomic Energy Act of 1954, as amended, is, of course, limited to the Commission's civil enforcement actions and has no legal impact on the meaning given to similar terms and phrases used in other statutes, e.g., 18 U.S.C. 1001, or on the authority of the Department of Justice to prosecute under such statutes. Thus, regardless of what enforcement action NRC may take for a communication failure, the failure may be subject to criminal sanctions.

will continue for those cases in which the staff recommends using the material false statement label. Violations involving inaccurate or incomplete information will be categorized based on the guidance in the Enforcement Policy, Section III (Severity of Violations), new Section VI (Inaccurate and Incomplete Information), and the revised Supplement VII. Consistent with the existing supplement, willful communications failures or communications failures regarding very significant information are categorized at a Severity Level I or II, and other significant communication failures normally will be categorized at a Severity Level III. Less significant failures normally will be categorized at a Severity Level IV or V as appropriate. Guidance on taking enforcement action for incomplete or inaccurate information and the failure to provide significant information identified by a licensee is found in the new Section VI and the revised Supplement VII of the revised Enforcement Policy.

The Commission recognizes that oral information may in some situations be inherently less reliable than written submittals because of the absence of an opportunity for reflection and management review. However, the Commission must be able to rely on oral communications from licensee officials concerning significant information.² Therefore, in determining whether to take enforcement action for an oral statement, consideration may be given to such factors as (1) the degree of knowledge that the communicator should have had regarding the matter, in view of his or her position, training, and experience, (2) the opportunity and time available prior to the communication to assure the accuracy or completeness of the information, (3) the degree of intent or negligence, if any, involved, (4) the formality of the communication, (5) the reasonableness of NRC reliance on the information, (6) the importance of the information which was wrong or not provided, and (7) the reasonableness of the explanation for not providing complete and accurate information.

Absent at least careless disregard, an incomplete or inaccurate unsworn oral statement normally will not be subject to enforcement action unless it involves significant information provided by a licensee official. However, enforcement action may be taken for an unintentionally incomplete or inaccurate oral statement provided to NRC by a

licensee official or others on behalf of a licensee, if a record was made of the oral information and provided to the licensee thereby permitting an opportunity to correct the oral information, such as if a transcript of the communication or meeting summary containing the error was made available to the licensee.

When a licensee has corrected inaccurate or incomplete information, the decision to issue a citation for the initial inaccurate or incomplete information normally will be dependent on the circumstances, including the ease of detection of the error, the timeliness of the correction, whether the NRC or the licensee identified the problem with the communication, and whether the NRC relied on the information prior to the correction. Generally, if the matter was promptly identified and corrected by the licensee prior to reliance by the NRC, or the NRC raising a question about the information, no enforcement action will be taken for the initial inaccurate or incomplete information. On the other hand, if the misinformation is identified after the NRC relies on it, or after some question is raised regarding the accuracy of the information, then some enforcement action normally will be taken even if it is in fact corrected. However, if the initial submittal was accurate when made but later turns out to be erroneous because of newly discovered information or advance in technology, a citation normally would not be appropriate if, when the new information became available, the initial submittal was promptly corrected.

The failure to correct inaccurate or incomplete information which the licensee does not identify as significant normally will not constitute a separate violation. However, the circumstances surrounding the failure to correct may be considered relevant to the determination of enforcement action for the initial inaccurate or incomplete statement. For example, an unintentionally inaccurate or incomplete submission may be treated as a more severe matter if the licensee later determines that the initial submittal was in error and does not correct it or if there were clear opportunities to identify the error. If information not corrected was recognized by a licensee as significant, a separate citation may be made for the failure to provide significant information. In any event, in serious cases where the licensee's actions in not correcting or providing information raise questions about its commitment to safety or its fundamental trustworthiness, the Commission may exercise its authority to issue orders

modifying, suspending, or revoking the license. The Commission recognizes that enforcement determinations must be made on a case-by-case basis, taking into consideration the issues described above.

V. Practical Impacts

Environmental Impact: Categorical Exclusion

With respect to the amendments to 10 CFR Parts 30, 40, 50, 60, 61, 70, 71, and 72, the NRC has determined that the rule is the type of action described in categorical exclusion 10 CFR 51.22(c)(3). The NRC has also determined that the amendments to 10 CFR Parts 2, 55, 110, and 150 meet the eligibility criteria for the categorical exclusion described in 10 CFR 51.22(c)(1). Accordingly, neither an environmental impact statement nor an environmental assessment has been prepared in connection with the issuance of the rule.

Paperwork Reduction Act Statement

This rule adds a specific information collection requirement that is subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). The information collection requirements contained in these Regulations have been approved by the Office of Management and Budget; OMB approval Nos. 3150-0017 (Part 30); -0020 (Part 40); -0011 (Part 50); -0018 (Part 55); -0127 (Part 60); -0135 (Part 61); -0009 (Part 70); -0008 (Part 71); -0132 (Part 72); -0032 (Part 150).

Regulatory Analysis

The Commission's current requirement for accuracy and completeness of information provided to the Commission is specified in the adjudicatory decision rendered with respect to an enforcement action taken against Virginia Electric Power Company in 1976. The rule articulates this requirement, which governs the day-to-day interactions between NRC personnel and licensees and applicants, in a regulation issued under the Commission's general authority to establish instructions for the provision of information and reports to the Commission rather than by interpretation of the material false statement provision of section 186 of the Atomic Energy Act in an adjudicatory decision. Codifying this requirement is preferable to continued reliance on the adjudicatory decision as the only statement of the requirement. Codification of the requirement will give the regulated community more explicit and accessible notice of the standards of accuracy expected of it and will give the Commission greater flexibility to

² A licensee official means a first line supervisor or above as well as a licensed individual, Radiation Safety Officer, or a person listed on a license as an authorized user of licensed material.

enforce these standards without unnecessarily applying the label material false statement to communications from licensees and applicants. In view of the extensive public comments and the recommendations of the Advisory Committee for Review of the Enforcement Policy received in response to the Commission's request for evaluation of the existing practice and proposed changes to it, it is apparent that this rule is the preferred alternative and the cost entailed in its promulgation and application is necessary and appropriate. The foregoing discussion constitutes the regulatory analysis for this rule.

Regulatory Flexibility Certification

As required by the Regulatory Flexibility Act of 1980, 5 U.S.C. 605(b), and consistent with NRC's Size Standards published December 9, 1985 (50 FR 50241), the Commission certifies that this rule does not have a significant economic impact upon a substantial number of small entities. The rule, which will affect large and small licensees alike, merely codifies an existing requirement, established through an adjudicatory decision, that all information provided to the Commission relating to licensed activities or maintained pursuant to Commission requirements be complete and accurate in all material respects. In addition, the rule will reduce the existing burden on licensees because the full disclosure aspect of the current judicially imposed requirement has been modified to limit it to that information which the licensee itself has determined has a significant implication for licensed activities.

In the notice of proposed rulemaking, the Commission specifically requested comment on the economic impact of this action on small entities. No comments were received in response to this request.

Backfit Statement

The rule codifies the existing obligations of applicants and licensees to provide information relating to licensed activities which could have significant implications for those activities and to ensure that all information provided to the Commission or maintained pursuant to Commission requirements is complete and accurate in all material respects. The Commission has determined, therefore, that the backfit rule, 10 CFR 50.109, does not apply to the rule.

List of Subjects

10 CFR Part 2

Administrative practice and procedure, Antitrust, Byproduct material, Classified information, Environmental protection, Nuclear materials, Nuclear power plants and reactors, Penalty, Sex discrimination, Source material, Special nuclear material, Waste treatment and disposal.

10 CFR Part 30

Byproduct material, Government contracts, Intergovernmental relations, Isotopes, Nuclear materials, Penalty, Radiation protection, Reporting and recordkeeping requirements.

10 CFR Part 40

Government contracts, Hazardous materials—transportation, Nuclear materials, Penalty, Reporting and recordkeeping requirements, Source material, Uranium.

10 CFR Part 50

Antitrust, Classified information, Fire prevention, Incorporation by reference, Intergovernmental relations, Nuclear power plants and reactors, Penalty, Radiation protection, Reactor siting criteria, Reporting and recordkeeping requirements.

10 CFR Part 55

Manpower training programs, Nuclear power plants and reactors, Penalty, Reporting and recordkeeping requirements.

10 CFR Part 60

High-level waste, Nuclear power plants and reactors, Nuclear materials, Penalty, Reporting and recordkeeping requirements, Waste treatment and disposal.

10 CFR Part 61

Low-level waste, Nuclear materials, Penalty, Reporting and recordkeeping requirements, Waste treatment and disposal.

10 CFR Part 70

Hazardous materials—transportation, Nuclear materials, Packaging and containers, Penalty, Radiation protection, Reporting and recordkeeping requirements, Scientific equipment, Security measures, Special nuclear material.

10 CFR Part 71

Hazardous materials—transportation, Nuclear materials, Packaging and containers, Penalty, Reporting and recordkeeping requirements.

10 CFR Part 72

Manpower training programs, Nuclear materials, Occupational safety and health, Reporting and recordkeeping requirements, Security measures, Spent fuel.

10 CFR Part 110

Administrative practice and procedure, Classified information, Export, Import, Incorporation by reference, Intergovernmental relations, Nuclear materials, Nuclear power plants and reactors, Penalty, Reporting and recordkeeping requirements, Scientific equipment.

10 CFR Part 150

Hazardous materials—transportation, Intergovernmental relations, Nuclear materials, Penalty, Reporting and recordkeeping requirements, Security measures, Source material, Special nuclear material.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and 5 U.S.C. 552 and 553, the NRC is adopting the following amendments to 10 CFR Parts 2, 30, 40, 50, 55, 60, 61, 70, 71, 72, 110 and 150.

PART 2—RULES OF PRACTICE FOR DOMESTIC LICENSING PROCEEDINGS

1. The authority citation for Part 2 is revised to read as follows:

Authority: Secs. 161, 181, 68 Stat. 948, 953, as amended (42 U.S.C. 2201, 2231); sec. 191, as amended, Pub. L. 87-615, 76 Stat. 409 (42 U.S.C. 2241); sec. 201, 88 Stat. 1242, as amended (42 U.S.C. 5841); 5 U.S.C. 552.

Section 2.101 also issued under secs. 53, 62, 63, 81, 103, 104, 105, 68 Stat. 930, 932, 933, 935, 936, 937, 938, as amended (42 U.S.C. 2073, 2092, 2093; 2111, 2133, 2134, 2135); sec. 102, Pub. L. 91-190, 83 Stat. 853, as amended (42 U.S.C. 4332); sec. 301, 88 Stat. 1248 (42 U.S.C. 5871). Sections 2.102, 2.103, 2.104, 2.105, 2.721 also issued under secs. 102, 103, 104, 105, 183, 189, 68 Stat. 936, 937, 938, 954, 955, as amended (42 U.S.C. 2132, 2133, 2134, 2135, 2233, 2239). Section 2.105 also issued under Pub. L. 97-415, 96 Stat. 2073 (42 U.S.C. 2239). Sections 2.200-2.206 also issued under secs. 186, 234, 68 Stat. 955, 83 Stat. 444, as amended (42 U.S.C. 2236, 2282); sec. 206, 88 Stat. 1246 (42 U.S.C. 5846). Sections 2.600-2.606 also issued under sec. 102, Pub. L. 91-190, 83 Stat. 853 as amended (42 U.S.C. 4332). Sections 2.700a, 2.719 also issued under 5 U.S.C. 554. Sections 2.754, 2.760, 2.770 also issued under 5 U.S.C. 557. Section 2.790 also issued under sec. 103, 68 Stat. 936, as amended (42 U.S.C. 2133) and 5 U.S.C. 552. Sections 2.800 and 2.808 also issued under 5 U.S.C. 553. Section 2.809 also issued under 5 U.S.C. 553 and sec. 29, Pub. L. 85-256, 71 Stat. 579, as amended (42 U.S.C. 2039). Subpart K also issued under sec. 189, 68 Stat. 955 (42 U.S.C. 2239); sec. 134,

Pub. L. 97-425, 96 Stat. 2230 (42 U.S.C. 10154). Appendix A also issued under sec. 6, Pub. L. 91-560, 84 Stat. 1473 (42 U.S.C. 2135). Appendix B also issued under sec. 10, Pub. L. 99-240, 99 Stat. 1842 (42 U.S.C. 2021b *et seq.*)

2. In Appendix C—General Statement of Policy and Procedure for NRC Enforcement Actions to 10 CFR Part 2, Sections VI., VII. and VIII. are redesignated as Sections VII., VIII. and IX.; and a new Section VI entitled "Inaccurate and Incomplete Information" is added to read as follows:

Appendix C—General Statement of Policy and Procedure for NRC Enforcement Actions

VI. Inaccurate and Incomplete Information

A violation of the regulations on submitting complete and accurate information, whether or not considered a material false statement, can result in the full range of enforcement sanctions. The labeling of a communication failure as a material false statement will be made on a case-by-case basis and will be reserved for egregious violations. Violations involving inaccurate or incomplete information or the failure to provide significant information identified by a licensee normally will be categorized based on the guidance herein, in Section III "Severity of Violations", and in Supplement VII.

The Commission recognizes that oral information may in some situations be inherently less reliable than written submittals because of the absence of an opportunity for reflection and management review. However, the Commission must be able to rely on oral communications from licensee officials concerning significant information. A licensee official for purposes of application of the Enforcement Policy means a first line supervisor or above as well as a licensed individual, radiation safety officer, or a person listed on a license as an authorized user of licensed material. Therefore, in determining whether to take enforcement action for an oral statement, consideration may be given to such factors as (1) the degree of knowledge that the communicator should have had, regarding the matter, in view of his or her position, training, and experience, (2) the opportunity and time available prior to the communication to assure the accuracy or completeness of the information, (3) the degree of intent or negligence, if any, involved, (4) the formality of the communication, (5) the reasonableness of NRC reliance on the information, (6) the importance of the information which was wrong or not provided, and (7) the reasonableness of the explanation for not providing complete and accurate information.

Absent at least careless disregard, an incomplete or inaccurate unsworn oral statement normally will not be subject to enforcement action unless it involves significant information provided by a licensee official. However, enforcement action may be taken for an unintentionally incomplete or

inaccurate oral statement provided to the NRC by a licensee official or others on behalf of a licensee, if a record was made of the oral information and provided to the licensee thereby permitting an opportunity to correct the oral information, such as if a transcript of the communication or meeting summary containing the error was made available to the licensee and was not subsequently corrected in a timely manner.

When a licensee has corrected inaccurate or incomplete information, the decision to issue a citation for the initial inaccurate or incomplete information normally will be dependent on the circumstances, including the ease of detection of the error, the timeliness of the correction, whether the NRC or the licensee identified the problem with the communication, and whether the NRC relied on the information prior to the correction. Generally, if the matter was promptly identified and corrected by the licensee prior to reliance by the NRC, or before the NRC raised a question about the information, no enforcement action will be taken for the initial inaccurate or incomplete information. On the other hand, if the misinformation is identified after the NRC relies on it, or after some question is raised regarding the accuracy of the information, then some enforcement action normally will be taken even if it is in fact corrected. However, if the initial submittal was accurate when made but later turns out to be erroneous because of newly discovered information or advance in technology, a citation normally would not be appropriate if, when the new information became available, the initial submittal was corrected.

The failure to correct inaccurate or incomplete information which the licensee does not identify as significant normally will not constitute a separate violation. However, the circumstances surrounding the failure to correct may be considered relevant to the determination of enforcement action for the initial inaccurate or incomplete statement. For example, an unintentionally inaccurate or incomplete submission may be treated as a more severe matter if the licensee later determines that the initial submittal was in error and does not correct it or if there were clear opportunities to identify the error. If information not corrected was recognized by a licensee as significant, a separate citation may be made for the failure to provide significant information. In any event, in serious cases where the licensee's actions in not correcting or providing information raise questions about its commitment to safety or its fundamental trustworthiness, the Commission may exercise its authority to issue orders modifying, suspending, or revoking the license. The Commission recognizes that enforcement determinations must be made on a case-by-case basis, taking into consideration the issues described above.

3. In Appendix C—General Statement of Policy and Procedure for NRC Enforcement Actions to 10 CFR Part 2, Supplement VII—Severity Categories, is revised to read as follows:

Appendix C—General Statement of Policy and Procedure for NRC Enforcement Actions

Supplement VII—Severity Categories

Miscellaneous Matters

A. Severity I—Violations involving for example:

1. Inaccurate or incomplete information¹⁵ which is provided to the NRC (a) deliberately with the knowledge of a licensee official that the information is incomplete or inaccurate, or (b) if the information, had it been complete and accurate at the time provided, likely would have resulted in regulatory action such as an immediate order required by the public health and safety;

2. Incomplete or inaccurate information which the NRC requires be kept by a licensee which is (a) incomplete or inaccurate because of falsification by or with the knowledge of a licensee official, or (b) if the information, had it been complete and accurate when reviewed by the NRC, likely would have resulted in regulatory action such as an immediate order required by public health and safety considerations;

3. Information which the licensee has identified as having significant implications for public health and safety or the common defense and security ("significant information identified by a licensee") and which is deliberately withheld from the Commission;

4. Action by senior corporate management in violation of 10 CFR 50.7 or similar regulations against an employee; or

5. A knowing and intentional failure to provide the notice required by Part 21.

B. Severity II—Violations involving for example:

1. Inaccurate or incomplete information which is provided to the NRC (a) by a licensee official because of careless disregard for the completeness or accuracy of the information, or (b) if the information, had it been complete and accurate at the time provided, likely would have resulted in regulatory action such as a show cause order or a different regulatory position;

2. Incomplete or inaccurate information which the NRC requires be kept by a licensee which is (a) incomplete or inaccurate because of careless disregard for the accuracy of the information on the part of a licensee official, or (b) if the information, had it been complete and accurate when reviewed by the NRC, likely would have resulted in regulatory action such as a show cause order or a different regulatory position;

3. "Significant information identified by a licensee" and not provided to the Commission because of careless disregard on the part of a licensee official;

4. Action by plant management above first-line supervision in violation of 10 CFR 50.7 or similar regulations against an employee; or

5. A failure to provide the notice required by Part 21.

¹⁵ In applying the examples in this supplement regarding inaccurate or incomplete information and records, reference also should be made to the guidance in Section VI.

C. Severity III—Violations involving for example:

1. Incomplete or inaccurate information which is provided to the NRC (a) because of inadequate actions on the part of licensee officials but not amounting to a Severity Level I or II violation, or (b) if the information, had it been complete and accurate at the time provided, likely would have resulted in a reconsideration of a regulatory position or substantial further inquiry such as an additional inspection of a formal request for information;

2. Incomplete or inaccurate information which the NRC requires be kept by a licensee which is (a) incomplete or inaccurate because of inadequate actions on the part of licensee officials but not amounting to a Severity Level I or II violation, or (b) if the information, had it been complete and accurate when reviewed by the NRC, likely would have resulted in a reconsideration of a regulatory position or substantial further inquiry such as an additional inspection or a formal request for information;

3. Failure to provide "significant information identified by a licensee" to the Commission and not amounting to a Severity Level I or II violation;

4. Action by first-line supervision in violation of 10 CFR 50.7 or similar regulations against an employee; or

5. Inadequate review or failure to review such that, if an appropriate review had been made as required, a Part 21 report would have been made.

D. Severity IV—Violations involving for example:

1. Incomplete or inaccurate information of more than minor significance which is provided to the NRC but not amounting to a Severity Level I, II, or III violation;

2. Information which the NRC requires be kept by a licensee and which is incomplete or inaccurate and of more than minor significance but not amounting to a Severity Level I, II, or III violation; or

3. Inadequate review or failure to review under Part 21 or other procedural violations associated with Part 21 with more than minor safety significance.

E. Severity V—Violations involving for example:

1. Incomplete or inaccurate information which is provided to the Commission and the incompleteness or inaccuracy is of minor significance;

2. Information which the NRC requires be kept by a licensee which is incomplete or inaccurate and the incompleteness or inaccuracy is of minor significance; or

3. Minor procedural requirements of Part 21.

PART 30—RULES OF GENERAL APPLICABILITY TO DOMESTIC LICENSING OF BYPRODUCT MATERIAL

4. The authority citation for Part 30 is revised to read as follows:

Authority: Secs. 81, 82, 161, 182, 183, 186, 68 Stat. 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2111,

2112, 2201, 2232, 2233, 2236, 2282); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 30.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 30.34(b) also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 30.61 also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); 30.3, 30.34(b) and (c), 30.41(a) and (c), and 30.53 are issued under sec. 161b., 68 Stat. 948 as amended (42 U.S.C. 2201(b)); and 30.6, 30.9, 30.36, 30.51, 30.52, 30.55 and 30.56(b) and (c) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

5. Immediately following § 30.8, a new § 30.9 is added to read as follows:

§ 30.9 Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 40—DOMESTIC LICENSING OF SOURCE MATERIAL

6. The authority citation for Part 40 is revised to read as follows:

Authority: Secs. 82, 63, 64, 65, 81, 161, 182, 183, 186, 68 Stat. 932, 933, 935, 948, 953, 954, 955, as amended, secs. 11(e)(2), 83, 84, Pub. L. 95-604, 92 Stat. 3033, as amended, 3039, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2014(e)(2), 2092, 2093, 2094, 2095, 2111, 2113, 2114, 2201, 2232, 2233, 2236, 2282); sec. 274, Pub. L. 86-373, 73 Stat. 688 (42 U.S.C. 2021); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846); sec. 275, 92 Stat. 3021, as amended by Pub. L. 97-415, 98 Stat. 2067 (42 U.S.C. 2022).

Section 40.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 40.31(g) also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 40.46 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 40.71 also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 40.3, 40.25(d)(1)-(3), 40.35(a)-(d), 40.41(b) and (c), 40.46, 40.51(a) and (c), and 40.63 are issued under sec. 161b, 68 Stat. 948 as amended, (42 U.S.C. 2201(b)); and §§ 40.5, 40.9, 40.25(c), (d)(3), and (4), 40.26(c)(2), 40.35(e), 40.42, 40.61, 40.62, 40.64 and 40.65 are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

7. Immediately following § 40.8, a new § 40.9 is added to read as follows:

§ 40.9 Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 50—DOMESTIC LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

8. The authority citation for Part 50 is revised to read as follows:

Authority: Secs. 102, 103, 104, 105, 161, 182, 183, 186, 189, 68 Stat. 936, 937, 938, 948, 953, 954, 955, 956, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2132, 2133, 2134, 2135, 2201, 2232, 2233, 2236, 2239, 2282); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 50.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 50.10 also issued under secs. 101, 185.

68 Stat. 936, 955, as amended (42 U.S.C. 2131, 2235); sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.23, 50.35, 50.55, 50.56 also issued under sec. 185, 68 Stat. 955 (42 U.S.C. 2235). Sections 50.33a, 50.55a and Appendix Q also issued under sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.34 and 50.54 also issued under sec. 204, 88 Stat. 1245 (42 U.S.C. 5844). Sections 50.58, 50.91, and 50.92 also issued under Pub. L. 97-415, 96 Stat. 2073 (42 U.S.C. 2239). Section 50.78 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Sections 50.80-50.81 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 50.103 also issued under sec. 108, 68 Stat. 939 as amended (42 U.S.C. 2138). Appendix F also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 50.10(a), (b), and (c), 50.44, 50.46, 50.48, 50.54, and 50.80(a) are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); §§ 50.10(b) and (c) and 50.54 are issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and §§ 50.9, 50.55(e), 50.59(b), 50.70, 50.71, 50.72, 50.73, and 50.78 are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

9. Immediately following § 50.8, a new § 50.9 is added to read as follows:

§ 50.9 Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 55—OPERATORS' LICENSES

10. The authority citation for Part 55 is revised to read as follows:

Authority: Sec. 107, 161, 182, 68 Stat. 939, 948 953, as amended, sec. 234, 83 Stat. 444, as

amended (42 U.S.C. 2137, 2201, 2232, 2282); secs. 201, as amended, 202, 88 Stat. 1242, as amended, 1244 (42 U.S.C. 5841, 5842).

Sections 55.41, 55.43, 55.45, and 55.59 also issued under sec. 306, Pub. L. 97-425, 96 Stat. 2262 (42 U.S.C. 10226). Section 55.61 also issued under secs. 186, 187, 68 Stat. 955 (42 U.S.C. 2236, 2237).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 55.3, 55.21, 55.49, and 55.53 are issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and §§ 55.9, 55.23, 55.25, and 55.53(f) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

11. Immediately following § 55.8, a new § 55.9 is added to read as follows:

§ 55.9 Completeness and accuracy of information.

Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

PART 60—DISPOSAL OF HIGH LEVEL RADIOACTIVE WASTES IN GEOLOGIC REPOSITORIES; LICENSING PROCEDURES

12. The authority citation for Part 60 is revised to read as follows:

Authority: Secs. 51, 53, 62, 63, 65, 81, 161, 182, 183, 68 Stat. 929, 930, 932, 933, 935, 948, 953, 954, as amended (42 U.S.C. 2071, 2073, 2092, 2093, 2095, 2111, 2201, 2232, 2233); secs. 202, 206, 88 Stat. 1244, 1246 (42 U.S.C. 5842, 5846); secs. 10 and 14, Pub. L. 95-601, 92 Stat. 2951 (42 U.S.C. 2021a and 5851); sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332); sec. 121, Pub. L. 97-425, 96 Stat. 2228 (42 U.S.C. 10141).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 60.10, 60.71 to 60.75 are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

13. Immediately following § 60.9, a new § 60.10 is added to read as follows:

§ 60.10 Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee

violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 61—LICENSING REQUIREMENTS FOR LAND DISPOSAL OF RADIOACTIVE WASTE

14. The authority citation for Part 61 is revised to read as follows:

Authority: Secs. 53, 57, 62, 63, 65, 81, 161, 182, 183, 68 Stat. 930, 932, 933, 935, 948, 953, 954, as amended (42 U.S.C. 2073, 2077, 2092, 2093, 2095, 2111, 2201, 2232, 2233); secs. 202, 206, 88 Stat. 1244, 1246, (42 U.S.C. 5842, 5446); secs. 10 and 14, Pub. L. 95-601, 92 Stat. 2951 (42 U.S.C. 2021a and 5851).

For the purposes of sec. 223, 68 Stat. 958, as amended, (42 U.S.C. 2273); Tables 1 and 2, §§ 61.3, 61.24, 61.25, 61.27(a), 61.41 through 61.43, 61.52, 61.53, 61.55, 61.56, and 61.61 through 61.63 are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); 61.9a, 61.10 through 61.16, 61.24, and 61.80 are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

15. Immediately following § 61.9, a new § 61.9a is added to read as follows:

§ 61.9a Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two

working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 70—DOMESTIC LICENSING OR SPECIAL NUCLEAR MATERIAL

16. The authority citation for Part 70 is revised to read as follows:

Authority: Secs. 51, 53, 161, 182, 183, 68 Stat. 929, 930, 948, 953, 954, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2071, 2073, 2201, 2232, 2233, 2282); secs. 201, as amended, 202, 204, 206, 88 Stat. 1242, as amended, 1244, 1245, 1246 (42 U.S.C. 5841, 5842, 5845, 5846).

Section 70.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 70.21(g) also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 70.31 also issued under sec. 57d, Pub. L. 93-377, 88 Stat. 475 (42 U.S.C. 2077). Sections 70.36 and 70.44 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 70.61 also issued under secs. 186, 187, 68 Stat. 955 (42 U.S.C. 2236, 2237). Section 70.62 also issued under sec. 108, 68 Stat. 939, as amended (42 U.S.C. 2138).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 70.3, 70.19(c), 70.21(c), 70.22(a), (b), (d)-(k), 70.24(a) and (b), 70.32(a)(3), (5), (6), (d), and (i), 70.36, 70.39(b) and (c), 70.41(a), 70.42(a) and (c), 70.56, 70.57(b), (c), and (d), 70.58(a)-(g)(3) and (h)-(j) are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); §§ 70.7, 70.20a(a) and (d), 70.20b(c) and (e), 70.21(c), 70.24(b), 70.32(a)(6), (c), (d), (e), and (g), 70.36, 70.51(c)-(g), 70.56, 70.57(b) and (d), and 70.58(a)-(g)(3) and (h)-(j) are issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and §§ 70.5, 70.9, 70.20b(d) and (e), 70.38, 70.51(b) and (i), 70.52, 70.53, 70.54, 70.55, 70.58(g)(4), (k), and (l), 70.59 and 70.60(b) and (c) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

17. Immediately following § 70.8, a new § 70.9 is added to read as follows:

§ 70.9 Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the

Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 71—PACKAGING AND TRANSPORTATION OF RADIOACTIVE MATERIAL

18. The authority citation for Part 71 is revised to read as follows:

Authority: Secs. 53, 57, 62, 63, 81, 161, 182, 183, 68 Stat. 930, 932, 933, 935, 948, 953, 954, as amended (42 U.S.C. 2073, 2077, 2092, 2093, 2111, 2201, 2232, 2233); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 71.97 also issued under sec. 301, Pub. L. 96-295, 94 Stat. 789-790.

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 71.3, 71.43, 71.45, 71.55, 71.63(a) and (b), 71.83, 71.85, 71.87, 71.89, and 71.97 are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); and §§ 71.5(b), 71.6a, 71.91, 71.93, 71.95, and 71.101(a) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

19. Immediately following § 71.6, a new § 71.6a is added to read as follows:

§ 71.6a Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is

already required to be provided to the Commission by other reporting or updating requirements.

PART 72—LICENSING REQUIREMENTS FOR THE STORAGE OF SPENT FUEL IN AN INDEPENDENT SPENT FUEL STORAGE INSTALLATION (ISFSI)

20. The authority citation for Part 72 is revised to read as follows:

Authority: Secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 68 Stat. 929, 930, 932, 933, 934, 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2232, 2233, 2234, 2236, 2237, 2238, 2282); sec. 274, Pub. L. 86-373, 73 Stat. 688, as amended (42 U.S.C. 2021); sec. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846); Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851); sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332).

Section 72.34 also issued under sec. 189, 68 Stat. 955 (42 U.S.C. 2239); sec. 134, Pub. L. 97-425, 96 Stat. 2230 (42 U.S.C. 10154).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); §§ 72.6, 72.14, 72.15, 72.17(d), 72.19, 72.33(b)(1), (4), (5), (e), (f), and 72.36(a) are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); §§ 72.10, 72.15, 72.17(d), 72.33(c), (d)(1), (2), (e), 72.81, 72.83, 72.84(a), 72.91 are issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and §§ 72.9a, 72.33(b)(3), (d)(3), (f), 72.35(b), 72.50-72.52, 72.53(a), 72.54(a), 72.55, 72.56, 72.80(c), and 72.84(b) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

21. Immediately following § 72.9, a new § 72.9a is added to read as follows:

§ 72.9a Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two

working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 110—EXPORT AND IMPORT OF NUCLEAR EQUIPMENT AND MATERIAL

22. The authority citation for Part 110 is revised to read as follows:

Authority: Secs. 51, 53, 54, 57, 63, 64, 65, 81, 82, 103, 104, 109, 111, 126, 127, 128, 129, 161, 181, 182, 183, 187, 189, 68 Stat. 929, 930, 931, 932, 933, 936, 937, 948, 953, 954, 955, 956, as amended (42 U.S.C. 2071, 2073, 2074, 2077, 2092-2095, 2111, 2112, 2133, 2134, 2139, 2139a, 2141, 2154-2158, 2201, 2231-2233, 2237, 2239); sec. 201, 68 Stat. 1242, as amended (42 U.S.C. 5841).

Section 110.1(b)(2) also issued under Pub. L. 96-92, 93 Stat. 710 (22 U.S.C. 2403). Section 110.11 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152) and secs. 54c and 57d, 88 Stat. 473, 475 (42 U.S.C. 2074). Section 110.27 also issued under sec. 309(a), Pub. L. 99-440. Section 110.50(b)(3) also issued under sec. 123, 92 Stat. 142 (42 U.S.C. 2153). Section 110.51 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 110.52 also issued under sec. 186, 68 Stat. 955 (42 U.S.C. 2236). Sections 110.80-110.113 also issued under 5 U.S.C. 552, 554. Sections 110.30-110.35 also issued under 5 U.S.C. 553.

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); 110.20-110.29, 110.50, and 110.120-110.129 also issued under secs. 161 b and i, 68 Stat. 948, 949, as amended (42 U.S.C. 2201 (b) and (i)); and §§ 110.7a and 110.53 are also issued under sec. 161(o), 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

22. Immediately following § 110.7, a new § 110.7a is added to read as follows:

§ 110.7a Completeness and accuracy of information.

(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects.

(b) Each applicant or licensee shall notify the Commission of information identified by the applicant or licensee as having for the regulated activity a significant implication for public health and safety or common defense and security. An applicant or licensee violates this paragraph only if the applicant or licensee fails to notify the Commission of information that the applicant or licensee has identified as having a significant implication for public health and safety or common

defense and security. Notification shall be provided to the Administrator of the appropriate Regional Office within two working days of identifying the information. This requirement is not applicable to information which is already required to be provided to the Commission by other reporting or updating requirements.

PART 150—EXEMPTIONS AND CONTINUED REGULATORY AUTHORITY IN AGREEMENT STATES AND IN OFFSHORE WATERS UNDER SECTION 274

24. The authority citation for Part 150 continues to read as follows:

Authority: Sec. 161, 68 Stat. 948, as amended, sec. 274, 73 Stat. 688 (42 U.S.C. 2201, 2201); sec. 201, 68 Stat. 1242, as amended (42 U.S.C. 5841).

Sections 150.3, 150.15, 150.15a, 150.31, 150.32 also issued under secs. 11e(2), 81, 68 Stat. 923, 935, as amended, secs. 83, 84, 92 Stat. 3033, 3039 (42 U.S.C. 2014e(2), 2111, 2114). Section 150.14 also issued under sec. 53, 68 Stat. 930, as amended (42 U.S.C. 2073). Section 150.17a also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 150.30 also issued under sec. 234, 83 Stat. 444 (42 U.S.C. 2282).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); 150.20(b) (2)-(4) and 150.21 are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); § 150.14 is issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and 150.16-150.19 and 150.20(b) are issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

25. The introductory paragraph of § 150.20(b) is revised to read as follows:

§ 150.20 Recognition of Agreement State licenses.

(b) Notwithstanding any provision to the contrary in any specific license issued by an Agreement State to a person engaging in activities in a non-Agreement State or in offshore waters under the general licenses provided in this section, the general licenses provided in this section are subject to the provisions of §§ 30.7 (a) through (e), 30.9, 30.14(d) and §§ 30.34, 30.41, and 30.51 to 30.63, inclusive, of Part 30 of this chapter; § 40.7 (a) through (e), § 40.9, and §§ 40.41, 40.51, 40.61, 40.63, inclusive, 40.71 and 40.81 of Part 40 of this chapter; and § 70.7 (a) through (e), § 70.9, and §§ 70.32, 70.42, 70.51 to 70.56, inclusive, 70.60 to 70.62, inclusive, and 70.7 of Part 70 of this chapter; and to the provisions of Parts 19, 20, and 71 and Subpart B of Part 34 of this chapter. In addition, any person engaging in activities in non-Agreement States or in

offshore waters under the general licenses provided in this section:

* * * * *
Dated at Washington, DC this 24th day of December, 1987.

For the Nuclear Regulatory Commission.

Samuel J. Chilk,

Secretary of the Commission.

[FR Doc. 87-29906 Filed 12-30-87; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Parts 206 and 208

[Docket No. R-0609]

Securities of State Member Banks and Membership of State Banking Institutions in the Federal Reserve System

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is amending its regulations issued pursuant to section 12(i) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78(i)) (the "1934 Act"). The amendment provides that State member banks required by sections 12(b) and 12(g) of the 1934 Act (15 U.S.C. 78(b) and (g)) ("registered State member banks") to file certain information with the Board must do so on the forms prescribed by the Securities and Exchange Commission (the "SEC") for other entities subject to reporting requirements under the 1934 Act. The amendment rescinds the Board's present regulation dealing with disclosures by registered State member banks under the 1934 Act, Regulation F (12 CFR Part 206), and adds the new securities disclosure requirement to Regulation H (12 CFR Part 208), which governs the activities of State member banks generally. The amendment will also permit, but not require, a registered State member bank with no foreign offices and total assets of \$150 million or less to substitute the financial statements from its quarterly report of condition filed with the Board (Federal Financial Institutions Examination Council Forms 033 or 034) for the financial statements normally required on SEC Form 10-Q.

DATES: This amendment is effective for all filings submitted after January 1, 1988.

FOR FURTHER INFORMATION CONTACT: Walter R. McEwen, Attorney, Legal Division (202/452-3321), Kenneth M. Kinoshita, Attorney, Legal Division (202/452-3721), Rhoger H. Pugh,