coverage for damage in Canada and Mexico and, at another point, noted the Committee’s hope that the insurance contract in its final form would cover the same scope as the bill.10

(i) It is my opinion that since the language of the Act draws no distinction between damage received in the United States and that received abroad, none can properly be drawn. To read the Act as imposing such a limitation in the absence of statutory direction and in the light of an avowed Congressional intention to encourage the development of the atomic energy industry would be unwarranted. The confusing sentence cited in the Report must, therefore, be read consistently with the language of the Act in the manner suggested above, i.e., as recognizing Congressional inability to limit foreign liability, or must be ignored as inconsistent with the broad coverage of the statutory language.

[25 FR 4075, May 7, 1960]

§ 8.3 [Reserved]

§ 8.4 Interpretation by the General Counsel: AEC jurisdiction over nuclear facilities and materials under the Atomic Energy Act.

(a) By virtue of the Atomic Energy Act of 1954, as amended,11 the individual States may not, in the absence of an agreement with the Atomic Energy Commission, regulate the materials described in the Act from the standpoint of radiological health and safety. Even States which have entered into agreements with the AEC lack authority to regulate the facilities described in the Act, including nuclear power plants and the discharge of effluents from such facilities, from the standpoint of radiological health and safety.

(b) The Atomic Energy Act of 1954 sets out a pattern for licensing and regulation of certain nuclear materials and facilities on the basis of the common defense and security and radiological health and safety. The regulatory pattern requires, in general, that the construction and operation of production facilities (nuclear reactors used for production and separation of plutonium or uranium-233 or fuel reprocessing plants) and utilization facilities (nuclear reactors used for production of power, medical therapy, research, and testing) and the possession and use of byproduct material (radioisotopes), source material (thorium and uranium ores), and special nuclear material (enriched uranium and plutonium, used as fuel in nuclear reactors), be licensed and regulated by the Commission.12 In carrying out its statutory responsibilities for the protection of the public health and safety from radiation hazards and for the promotion of the common defense and security, the AEC has promulgated regulations which establish requirements for the issuance of licenses (Parts 30–36, 40, 50, 70, 71, and 100 of this chapter) and specify standards for radiation protection (part 20 of this chapter).

(c) The Atomic Energy Act of 1954 had the effect of preempting to the Federal Government the field of regulation of nuclear facilities and byproduct, source, and special nuclear material. Whatever doubts may have existed as to that preemption were settled by the passage of the Federal-State amendment to the Atomic Energy Act of 1954 in 1959.13

(d) Prior to 1954, all nuclear facilities and the special nuclear material produced by or used in them were owned by the AEC.14 This Federal monopoly of atomic energy activities was due in large part to the use of atomic energy materials and facilities in our national weapons program, and the large capital investment required for their development. The Atomic Energy Act of 1954 permitted private ownership of nuclear facilities for the first time, but only

10 Report, p. 11.
12 The terms “byproduct material,” “source material,” and “special nuclear material” are defined in the Atomic Energy Act, sections Ie, Ii, and Iia, respectively. The terms “production facility” and “utilization facility” are defined in sections 11v and 11cc of the Act, respectively.
under a comprehensive, pervasive system of Federal regulation and licensing. That Act recognized no State responsibility or authority over such facilities and materials except the States’ traditional regulatory authority over generation, sale, and transmission of electric power produced through the use of nuclear facilities. As interest grew in the private construction of facilities and the use of atomic energy materials, and the numbers of persons qualified in the field increased, questions arose as to the role State authorities should play with regard to the public health and safety aspects of such activities. Several bills were introduced with respect to Federal-State cooperation in 1956 and 1957. An AEC proposed bill which would have authorized concurrent radiation safety standards to be enforced by the States was forwarded to the Joint Committee on Atomic Energy in 1957, but was never reported out. Finally, in 1959, legislation was enacted whose purpose was to promote an orderly regulatory pattern between the Federal and State governments with respect to regulation of byproduct, source, and special nuclear material, while avoiding dual regulation (see section 274a). That legislation added section 274, the so-called Federal-State amendment, to the Atomic Energy Act.

(e) Section 274 (42 U.S.C. 2021) authorizes the Commission to enter into an agreement with the Governor of any State providing for the discontinuance of regulatory authority of the Commission with respect to byproduct materials, source materials, and special nuclear materials in quantities not sufficient to form a “critical mass.” However, section 274c (42 U.S.C. 2021(c)) provides that the Commission shall retain authority and responsibility with respect to the regulation of:

(1) The construction and operation of production or utilization facilities (note: this includes construction and operation of nuclear power plants);

(2) The export and import of byproduct, source or special nuclear material or production or utilization facilities;

(3) The disposal into the ocean of waste byproduct, source or special nuclear materials; and

(4) The disposal of such other byproduct, source or special nuclear material as the Commission determines should, because of the hazards or potential hazards thereof, not be so disposed of without a Commission license.

(f) The amendment, in providing for the discontinuance of some of the AEC’s regulatory authority over source, by-product and special nuclear material in States which entered into agreements with the AEC, made clear that there should be no “dual regulations” with respect to those materials for the purpose of protection of the public health and safety from radiation hazards.

(g) Section 274b of the Atomic Energy Act (42 U.S.C. 2021(b)) states:

During the duration of such an agreement it is recognized that the State shall have authority to regulate the materials covered by the agreement for the protection of the public health and safety from radiation hazards.

Section 274k (42 U.S.C. 2021(k)) states:

Nothing in this section shall be construed to affect the authority of any State or local agency to regulate activities for purposes other than protection against radiation hazards.

(h) In its comments on the bill that was enacted as section 274, the Joint Committee on Atomic Energy commented that:

It is not intended to leave any room for the exercise of dual or concurrent jurisdiction by States to control radiation hazards by regulating byproduct, source, or special nuclear materials. The intent is to have the material regulated and licensed either by the Commission, or by the State and local governments, but not by both.

In explaining section 274k, the Joint Committee said:

As indicated elsewhere, the Commission has exclusive authority to regulate for protection against radiation hazards until such time as the State enters into an agreement with the Commission to assume such responsibility.
§ 8.5 Interpretation by the General Counsel of § 73.55 of this chapter; illumination and physical search requirements.

(a) A request has been received to interpret 10 CFR 73.55(c)(5) and 73.55(d)(1).

10 CFR 73.55(c)(5) provides:

Isolation zones and all exterior areas within the protected area shall be provided with illumination sufficient for the monitoring and observation requirements of paragraphs (c)(3), (c)(4), and (h)(4) of this section, but not less than 0.2 footcandle measured horizontally at ground level.

(b) The requester contends that the regulation is satisfied if 0.2 footcandle is provided only at the protected area boundary and the isolation zone. To effectuate the monitoring and observation requirements of 10 CFR 73.55, for example, 10 CFR 73.55(c)(4) states that “All exterior areas within the protected area shall be periodically checked to detect the presence of unauthorized persons, vehicles, or materials.” In the absence of illumination, such checking could not be fully effective.

(c) The requester also asks whether the illumination requirement extends to the tops and sides of buildings within the protected area. To effectuate the monitoring and observation requirements cited above, illumination must