

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Chapter 1****Federal Acquisition Circular 90-39
Introduction**

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Summary presentation of final and interim rules with request for comment.

SUMMARY: This document summarizes the Federal Acquisition Regulation (FAR) rules which follow it in the order listed below. The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council are issuing Federal Acquisition Circular (FAC) 90-39 to amend the FAR.

DATES: For effective dates and comment dates, see separate documents which follow. Please cite FAC 90-39 and the appropriate FAR case number(s) in all

correspondence related to the following documents.

FOR FURTHER INFORMATION CONTACT: The analyst whose name appears (in the table below) in relation to each FAR case or subject area. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405, (202) 501-4755. Please cite FAC 90-39 and specific FAR case number(s).

SUPPLEMENTARY INFORMATION: Federal Acquisition Circular 90-39 amends the Federal Acquisition Regulation (FAR) as specified below:

| Item | Subject | FAR case | Analyst |
|------------|---|---------------|-------------|
| I | Double-Sided Copying | 92-050 | De Stefano. |
| II | National Industrial Security Program Operating Manual (NISPOM) | 95-004 | O'Neill. |
| III | Justification and Approval Thresholds | 96-302 | De Stefano. |
| IV | Implementation of Memorandum of Understanding Between the United States of America and the European Economic Community on Government Procurement and Sanctions Imposed on the European Community. | 93-606 | O'Such. |
| V | Postponement of Bid Openings or Closing Dates | 91-095 | De Stefano. |
| VI | Armed Services Pricing Manual | 95-027 | Olson. |
| VII | Predetermined Indirect Cost Rates | 94-011 | De Stefano. |
| VIII | Small Business Size Standards | 94-600 | Klein. |
| IX | Master Subcontracting Plans | 92-039 | Klein. |
| X | Small Business Competitiveness Demonstration Program | 92-302 | Klein. |
| XI | Use of Convict Labor | 93-615 | O'Neill. |
| XII | Ozone Executive Order | 93-307 | De Stefano. |
| XIII | Uruguay Round (1996 Code) | 95-304 | O'Such. |
| XIV ... | Implementation of the North American Free Trade Agreement Implementation Act | 93-310 | O'Such. |
| XV ... | Caribbean Basin Countries | 95-030 | O'Such. |
| XVI ... | Fluctuating Exchange Rates | 92-048 | O'Such. |
| XVII ... | Irrevocable Letters of Credit and Alternatives to Miller Act Bonds | 95-301 | O'Neill. |
| XVIII ... | Part 31 Agency Supplements | 94-606 | Olson. |
| XIX ... | Records Retention | 93-020 | Olson. |
| XX ... | Legislative Lobbying Costs | 93-006 | Olson. |
| XXI ... | Travel Costs | 93-022 | Olson. |
| XXII ... | Prompt Payment Overseas | 92-046 | Olson. |
| XXIII ... | Alternate Dispute Resolution/Federal Courts Administration Act | 91-062/92-301 | O'Neill. |
| XXIV ... | Defense Production Act Amendments | 93-304 | O'Neill. |
| XXV ... | Child Care Services | 91-106 | Klein. |
| XXVI ... | Quick-Closeout Procedures | 95-009 | Klein. |
| XXVII ... | Quality Assurance Actions—Electronic Screening | 92-031 | Klein. |
| XXVIII ... | Quality Assurance Nonconformances | 92-027 | Klein. |
| XXIX ... | Solicitation Provisions—Contract Clauses | 95-603 | O'Neill. |
| XXX ... | Contract Award—Sealed Bidding—Construction | 91-031 | O'Neill. |
| XXXI ... | Small Business Innovation Research Rights in Data | 93-305 | O'Neill. |
| XXXII ... | Inspection Clauses—Fixed Price | 92-001 | Klein. |
| XXXIII ... | Termination for Convenience | 91-102 | Klein. |
| N/A ... | Corrections and Technical Amendments | | |
| | (1) Revision to FAR Utility Matrix (Loose-leaf edition only) | 92-617 | O'Such. |
| | (2) Table of Standard Forms and OMB Expiration Dates | N/A | N/A. |

Item I—Double-Sided Copying (FAR Case 92-050)

The interim rule published as Item I of FAC 90-27, and amended by Item III of FAC 90-29, is revised and finalized. The interim rule added FAR Subpart 4.3 and a clause at 52.204-4 to encourage

offerors and contractors to maximize the use of double-sided copying on recycled paper, in accordance with Executive Order 12873. FAC 90-29 amended FAR 4.304 to eliminate the requirement for use of the clause at 52.204-4 in acquisitions at or below the simplified acquisition threshold. The final rule

contains additional changes at 4.301 and 52.204-4 to implement Executive Order 12995, which amended Executive Order 12873 to revise the minimum recycled content standards for printing and writing paper.

Item II—National Industrial Security Program Operating Manual (NISPOM) (FAR Case 95-004)

This final rule amends FAR Subparts 4.4 and 27.2 and the clause at 52.204-2 to (1) replace references to the "Defense Industrial Security Program" with references to the "National Industrial Security Program"; and (2) replace references to the "DoD Industrial Security Manual for Safeguarding Classified Information" with references to the "National Industrial Security Program Operating Manual." The National Industrial Security Program has been established in accordance with Executive Order 12829.

Item III—Justification and Approval Thresholds (FAR Case 96-302)

This final rule amends FAR 6.304 to implement Section 4102 of the Fiscal Year 1996 Defense Authorization Act (Public Law 104-106). Section 4102 amends 10 U.S.C. 2304(f)(1)(B) and 41 U.S.C. 253(f)(1)(B) to raise the dollar thresholds at which approval for the use of other than full and open competition must be obtained from the competition advocate, the head of the procuring activity, or the senior procurement executive. Section 4102 provides for approval of the justification for other than full and open competition by (1) the competition advocate, for proposed contracts over \$500,000, but not exceeding \$10,000,000; (2) the head of the procuring activity, or designee, for proposed contracts over \$10,000,000, but not exceeding \$50,000,000; and (3) the senior procurement executive, for proposed contracts over \$50,000,000.

Item IV—Implementation of Memorandum of Understanding Between the United States of America and the European Economic Community on Government Procurement and Sanctions Imposed on the European Community (FAR Case 93-606)

The interim rule published in FAC 90-18, and amended in FACs 90-19 and 90-36, is converted to a final rule without change. The rule amended FAR Parts 14, 15, 17, 25, and 52 to (1) implement Executive Order 12849 which, based on a Memorandum of Understanding between the United States and the European Community, waives the Buy American Act in certain situations; and (2) implement certain trade sanctions imposed on the European Community.

Item V—Postponement of Bid Openings or Closing Dates (FAR Case 91-095)

This final rule amends FAR 14.402-3, and 15.412 and the provisions at 52.214-7, 52.214-23, 52.214-32, 52.214-33, 52.215-10, and 52.215-36 to clarify policy regarding rescheduling of the time for receipt of bids or proposals when an emergency or unanticipated event interrupts normal processes at a Government installation. An editorial revision is made at 15.411(a).

Item VI—Armed Services Pricing Manual (FAR Case 95-027)

This final rule amends FAR 15.805-1 to replace the Armed Services Pricing Manual, as the reference guide for pricing and negotiation personnel, with five desk references jointly prepared by the Air Force Institute of Technology and the Federal Acquisition Institute.

Item VII—Predetermined Indirect Cost Rates (FAR Case 94-011)

This final rule amends FAR 42.705-3 and the clause at 52.216-15 to implement revisions to OMB Circular A-21 that permit predetermined indirect cost rates for educational institutions to be established for periods of up to four years. An editorial revision is made at 16.307(i).

Item VIII—Small Business Size Standards (FAR Case 94-600)

This final rule revises the table at FAR 19.102 to reflect size standards published by the Small Business Administration.

Item IX—Master Subcontracting Plans (FAR Case 92-039)

This final rule amends FAR 19.704 and the clause at 52.219-9 to permit master subcontracting plans to be written for a three-year period, and to emphasize that it is incumbent upon contractors to maintain and update master plans.

Item X—Small Business Competitiveness Demonstration Program (FAR Case 92-302)

The interim rule published as Item XIII of FAC 90-23 is converted to a final rule without change. The rule amended FAR Subpart 19.10 to (1) extend the Small Business Competitiveness Demonstration Program through September 30, 1996; (2) specify that agencies may reinstate the use of small business set-asides as necessary to meet assigned goals, but only within the organizational unit(s) that failed to meet the small business goals; and (3) revise the description of architectural and engineering services as a designated industry group.

Item XI—Use of Convict Labor (FAR Case 93-615)

This final rule amends FAR Subpart 22.2 and the clause at 52.222-3 to reflect changes in the statutory restrictions on employment of convict labor in the performance of Government contracts. The amendments (1) remove all references to 18 U.S.C. 4082(c)(2), which now only applies to offenses committed prior to November 1, 1987; (2) reflect the addition of the Commonwealth of the Northern Mariana Islands to the jurisdictions covered by Executive Order 11755; and (3) include further information regarding the requirements of Executive Order 11755, as amended by Executive Order 12608.

Item XII—Ozone Executive Order (FAR Case 93-307)

The interim rule published as Item III of FAC 90-27 is revised and finalized. The rule implements Executive Order 12843 and Environmental Protection Agency Clean Air Act regulations (40 CFR Part 82). The final rule differs from the interim rule in that it (1) amends FAR Subpart 23.8 and the clause at 52.223-11 to replace the definitions of "class I substance" and "class II substance" with a definition of "ozone-depleting substance"; and (2) amends the clause at 52.223-11 to clarify that labeling of ozone-depleting substances shall be in accordance with 42 U.S.C. 7671j and 40 CFR Part 82.

Item XIII—Uruguay Round (1996 Code) (FAR Case 95-304)

The interim rule published in FAC 90-36 is converted to a final rule without further change. The rule amends FAR Parts 25 and 52 to implement the renegotiated Government Procurement Agreement (1996 Code) (Uruguay Round). This agreement is implemented in statute by the Uruguay Round Agreement Act, Public Law 103-465, which amends the Trade Agreements Act of 1979 (19 U.S.C. 2501-2582).

Item XIV—Implementation of the North American Free Trade Agreement Implementation Act (FAR Case 93-310)

This interim rule amends the rule published in FAC 90-19 to implement the North American Free Trade Agreement (NAFTA) Implementation Act. This interim rule (1) adds language at FAR 25.402(g) to address the applicability of NAFTA to the acquisition of services; (2) adds language at 27.208 to address the use of patented technology when the patent holder is from a NAFTA country; (3) amends the provision at 52.225-20 to clarify procedures for evaluation of

offers; (4) adds an alternate to the provision at 52.225-20 and the clause at 52.225-21 for use in acquisitions between \$25,000 and \$50,000; and (5) adds a new clause at 52.225-22 for use in construction contracts awarded outside the United States with an estimated value of \$6,500,000 or more.

Item XV—Caribbean Basin Countries (FAR Case 95-030)

This final rule amends FAR 25.402(b) to reflect the U.S. Trade Representative's extension, through September 30, 1996, of the designation of Caribbean Basin products as eligible products under the Trade Agreements Act.

Item XVI—Fluctuating Exchange Rates (FAR Case 92-048)

This final rule revises FAR 25.501 and adds a new provision at 52.225-4 to address procedures for evaluation of offers priced in a foreign currency.

Item XVII—Irrevocable Letters of Credit and Alternatives to Miller Act Bonds (FAR Case 95-301)

This interim rule amends FAR Part 28 and the clause at 52.228-2, and adds new clauses at 52.228-13 and 52.228-14 to (1) provide for use of irrevocable letters of credit as an alternative to corporate or individual sureties as security for Miller Act bonds on construction contracts exceeding \$100,000; and (2) provide alternative payment protections for construction contracts between \$25,000 and \$100,000, which are no longer subject to the Miller Act, in accordance with Section 4104(b) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355).

Item XVIII—Part 31 Agency Supplements (FAR Case 94-606)

This final rule amends FAR 31.101 to remove the requirement for Civilian Agency Acquisition Council approval of agency supplements to FAR Part 31. Approval requirements for class deviations from Part 31 remain unchanged.

Item XIX—Records Retention (FAR Case 93-020)

This final rule amends the cost principle at 31.201-2 to explicitly state that contractors must maintain adequate cost records in order to be reimbursed for costs claimed.

Item XX—Legislative Lobbying Costs (FAR Case 93-006)

This final rule amends FAR 31.205-22, and deletes 31.205-50, to clarify the

cost principle pertaining to legislative lobbying costs.

Item XXI—Travel Costs (FAR Case 93-022)

This final rule amends the cost principle at FAR 31.205-46 to specify the documentation required to support travel costs incurred by contractors under Government contracts. These documentation requirements are consistent with similar requirements already imposed by Section 274 of the Internal Revenue Code for travel costs claimed for Federal tax purposes.

Item XXII—Prompt Payment Overseas (FAR Case 92-046)

The interim rule published as Item XIII of FAC 90-20, and further amended by Item III of FAC 90-29, is converted to a final rule without change. The rule amended FAR 32.901 and the clauses at 52.232-25, 52.232-26, and 52.232-27 to reflect the applicability of the Prompt Payment Act to contracts awarded and performed outside the United States.

Item XXIII—Alternate Dispute Resolution/Federal Courts Administration Act (FAR Cases 91-062 and 92-301)

The interim rules are converted to final rules without change. The rules were published as Item XIV of FAC 90-20 and Item III of FAC 90-10. The rules amend the claim certification procedures and the Alternative Means of Dispute Resolution (ADR) procedures in FAR Part 33, and implement section 907(a) of the Federal Courts Administration Act of 1992 (Public Law 102-572).

Item XXIV—Defense Production Act Amendments (FAR Case 93-304)

The interim rule published as Item XXIV of FAC 90-23 is converted to a final rule without change. The rule added FAR Subpart 34.1 and a clause at 52.234-1 to provide policy and procedures for the testing, qualification, and use of industrial resources manufactured or developed with assistance provided under Title III of the Defense Production Act of 1950.

Item XXV—Child Care Services (FAR Case 91-106)

The interim rule published as Item XXVII of FAC 90-23 is converted to a final rule without change. The rule amended FAR Subpart 37.1 to require contracting officers to ensure that contracts for child care services include requirements for criminal history background checks of employees in accordance with 42 U.S.C. 13041.

Item XXVI—Quick-Closeout Procedures (FAR Case 95-009)

This final rule amends FAR 42.708 and the clauses at 52.216-7 and 52.216-13 to permit maximum use of quick contract closeout procedures. The rule (1) permits use of quick closeout procedures if total unsettled indirect costs allocable to any one contract do not exceed \$1,000,000; (2) and permits contracting officers to waive the 15 percent restriction on unsettled indirect costs, based upon a risk assessment that considers certain factors.

Item XXVII—Quality Assurance Actions—Electronic Screening (FAR Case 92-031)

This final rule amends FAR 46.101 to add definitions of "latent defect" and "patent defect."

Item XXVIII—Quality Assurance Nonconformances (FAR Case 92-027)

This final rule amends FAR Subpart 46.1 to provide standard terminology and guidance pertaining to supplies and services that do not meet contract requirements.

Item XXIX—Solicitation Provisions—Contract Clauses (FAR Case 95-603)

This final rule amends the provision at FAR 52.211-1 to delete the statement that copies of specifications may be obtained from General Services Administration Business Service Centers. Specifications are no longer available from these centers.

Item XXX—Contract Award—Sealed Bidding—Construction (FAR Case 91-031)

This final rule amends the provision at FAR 52.214-19 to advise offerors that, for construction solicitations, the Government may reject bids as nonresponsive if the prices are materially unbalanced. This amendment is consistent with the existing language in the provisions at 52.214-10 and 52.215-16, which are used in solicitations for other than construction.

Item XXXI—Small Business Innovation Research Rights in Data (FAR Case 93-305)

The interim rule published as Item XIX of FAC 90-20 is converted to a final rule without change. The rule amended the clause at FAR 52.227-20 to increase a small business concern's data rights retention period from two to four years, in accordance with the Small Business Innovation Research Program Policy Directive published by the Small Business Administration.

Item XXXII—Inspection Clauses—Fixed Price (FAR Case 92-001)

This final rule amends the clauses at FAR 52.246-2, 52.246-4, 52.246-7, 52.246-12, and 52.246-13 to replace the phrase “without additional charge” with the phrase “at no increase in contract price” for clarity.

Item XXXIII—Termination for Convenience (FAR Case 91-102)

This final rule amends the clause at 52.249-2 to clarify language pertaining to settlement of contract termination costs and rights of appeal under the Disputes clause.

Corrections and Technical Amendments (Loose-leaf edition only)

Revisions to FAR Utility Matrix (FAR Case 92-617)

Section 52.301, Solicitation provisions and contract clauses (Matrix), is amended in the Utility Services column. The matrix is not carried in the *Code of Federal Regulations* and, therefore, not published in the Federal Register. Subscribers to the loose-leaf edition will receive matrix changes in FAC 90-39.

Table of Standard Forms and OMB Expiration Dates

Under the provisions of the Paperwork Reduction Act of 1995 (44

U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has obtained Office of Management and Budget (OMB) clearance of all information collection requirements contained in the FAR. In lieu of reissuing Standard and Optional Forms to reflect extended OMB approval dates, and to reduce costs of reprinting forms, FAR users should make appropriate pen-and-ink changes on any listed forms containing expiration dates that differ from the entries published below:

TABLE OF STANDARD FORMS AND OMB EXPIRATION DATES

| Standard form | Edition | OMB control No. | Expiration date |
|---------------|-------------------|-----------------|-----------------|
| SF 24 ... | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 25 ... | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 25A | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 25B | Rev. 10/83 | 9000-0045 | 9/30/98 |
| SF 28 ... | Rev. 1/90 | 9000-0001 | 9/30/98 |
| SF 34 ... | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 35 ... | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 119 | Rev. 1/90 | 9000-0003 | 9/30/98 |
| SF 129 | Rev. 6/90 | 9000-0002 | 10/31/97 |
| SF 254 | Rev. 11/92 | 9000-0004 | 3/31/99 |
| SF 255 | Rev. 11/92 | 9000-0005 | 4/30/99 |
| SF 273 | Rev. 8/90 | 9000-0045 | 9/30/98 |
| SF 274 | Rev. 8/90 | 9000-0045 | 9/30/98 |
| SF 275 | Rev. 8/90 | 9000-0045 | 9/30/98 |
| SF 294 | Rev. 10/95 | 9000-0006 | 3/31/98 |
| SF 295 | Rev. 10/95 | 9000-0007 | 3/31/98 |
| SF 1403 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1404 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1405 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1406 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1407 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1408 | Rev. 9/88 | 9000-0011 | 10/31/97 |
| SF 1411 | Rev. 10/95 | 9000-0013 | 9/30/98 |
| SF 1413 | Rev. 6/89 | 9000-0014 | 4/30/98 |
| SF 1416 | Rev. 1/90 | 9000-0045 | 9/30/98 |
| SF 1417 | Rev. 8/90 | 9000-0037 | 9/30/98 |
| SF 1423 | Rev. 12/88 | 9000-0015 | 5/31/98 |
| SF 1424 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1426 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1427 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1428 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1429 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1430 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1431 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1432 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1433 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1434 | Rev. 7/89 | 9000-0015 | 5/31/98 |
| SF 1435 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1436 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1437 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1438 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1439 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1440 | Rev. 7/89 | 9000-0012 | 5/31/98 |
| SF 1443 | Rev. 10/82 | 9000-0010 | 8/31/96 |
| SF 1444 | Rev. 10/87 | 9000-0089 | 4/30/99 |
| SF 1445 | Rev. 10/87 | 9000-0089 | 4/30/99 |
| SF 1446 | Rev. 10/87 | 9000-0089 | 4/30/99 |
| SF 1448 | 10/95 edition ... | 9000-0013 | 9/30/98 |
| SF 1449 | 10/95 edition ... | 9000-0136 | 9/30/98 |

Dated: June 4, 1996.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Federal Acquisition Circular Number 90-39

Federal Acquisition Circular (FAC) 90-39 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator for the National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained in FAC 90-39 is effective August 19, 1996, except for Item XV which was effective September 30, 1995, and Items I, IV, VI, VIII, X, XII through XIV, XVII, XXII through XXV, and XXXI, which are effective June 20, 1996.

Dated: May 16, 1996.

Eleanor R. Spector,

Director, Defense Procurement.

Dated: May 16, 1996.

Ida M. Ustad,

Deputy Associate Administrator for Acquisition Policy, General Services Administration.

Dated: May 6, 1996.

L.W. Bailets,

Acting Associate Administrator for Procurement National Aeronautics and Space Administration.

[FR Doc. 96-14515 Filed 6-19-96; 8:45 am]

BILLING CODE 6820-EP-P

48 CFR Parts 4 and 52

[FAC 90-39; FAR Case 92-050; Item I]

RIN 9000-AG41

Federal Acquisition Regulation; Double-Sided Copying

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Interim rule adopted as final with changes.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed to a final rule which amends the Federal Acquisition Regulation (FAR) to encourage contractors to maximize the use of double-sided copying on recycled paper when submitting written documents related to an acquisition. This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

EFFECTIVE DATE: June 20, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Ralph De Stefano at (202) 501-1758 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 92-050.

SUPPLEMENTARY INFORMATION:

A. Background

These revisions are based on a portion of Executive Order 12873, Federal Acquisition, Recycling, and Waste Prevention, dated October 20, 1993 (58 FR 54911), which encourages the use of double-sided copying on recycled paper for documents printed within the Government and under Government contracts.

An interim rule was published in the Federal Register at 60 FR 28493, May 31, 1995, as Item I, FAC 90-27. This interim rule amended FAR Part 4 to add a new subpart 4.3—Paper Documents, and amended FAR Part 52 to add a clause at 52.204-4, Printing/Copying Double-Sided on Recycled Paper. An additional amendment to section 4.304 was published at 60 FR 34744 on July 3, 1995, to eliminate the requirement for use of the clause at 52.204-4 in solicitations and contracts valued at or below the simplified acquisition threshold. Further amendments have been made in the final rule to implement Executive Order 12995 of March 25, 1996 (61 FR 13645, March 28, 1996), which amended Executive Order 12873 to revise the minimum content standards for printing and writing paper.

Seven comments from six sources were received in response to the interim rule. All comments were considered in developing the final rule.

B. Regulatory Flexibility Act

The Department of Defense, the General Services Administration, and the National Aeronautics and Space Administration certify that this final rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the rule contains no mandatory requirements for offerors or contractors. The rule encourages, but does not require, the use of double-sided copying on recycled paper when submitting written documents to the Government. No comments were received on the impact of this rule on

small entities during the public comment period.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose recordkeeping or information collection requirements, or collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 4 and 52

Government procurement.

Dated: June 4, 1996.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Interim Rule Adopted as Final With Changes

Accordingly, the interim rule amending CFR Parts 4 and 52, which was published at 60 FR 28493, May 31, 1995 (FAC 90-27, Item I), and amended at 60 FR 34744, July 3, 1995, is adopted as a final rule with amendments at sections 4.301 and 52.204-4.

1. The authority citation for 48 CFR Parts 4 and 52 continues to read as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

PART 4—ADMINISTRATIVE MATTERS

4.301 [Amended]

2. Section 4.301 is amended by removing the period at the end of the sentence and inserting in its place “, as amended by Executive Order 12995, March 25, 1996.”

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

3. Section 52.204-4 is amended by revising the date of the clause to read “(JUN 1996)”; in paragraph (a) of the clause by inserting after “October 20, 1993,” the phrase “as amended by Executive Order 12995, dated March 25, 1996,”; revising “20%” to read “20 percent”; and by revising paragraph (b) to read as follows:

52.204-4 Printing/Copying Double-Sided on Recycled Paper.

* * * * *

PRINTING/COPYING DOUBLE-SIDED
RECYCLED PAPER (JUN 1996)

* * * * *

(b) The 20 percent standard applies to high-speed copier paper, offset paper, forms