

26. Section 252.236–7006 is amended by revising the clause date to read “(JAN 1997)” and by revising paragraph (c) to read as follows:

252.236–7006 Cost Limitation.

* * * * *

(c) Prices stated in offers for items subject to cost limitations shall include an appropriate apportionment of all costs, direct and indirect, overhead, and profit.

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252.239–7007 [Amended].

27. Section 252.239–7007 is amended by revising the clause date to read “(JAN 1997)” and in paragraph (d)(1) by removing the word “certified”.

252.247–7001 [Amended].

28. Section 252.247–7001 is amended by revising the clause date to read “(JAN 1997)” and in paragraph (g) by removing the word “certification” and inserting the word “statement” in its place.

[FR Doc. 97–1036 Filed 1–16–97; 8:45 am]

BILLING CODE 5000–04–M

48 CFR Part 225

[DFARS Case 96–D030]

Defense Federal Acquisition Regulation Supplement; Metalworking Machinery—Trade Agreements

AGENCY: Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: The Director of Defense Procurement has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to reflect the expiration of certain statutory restrictions on the acquisition of machine tools.

EFFECTIVE DATE: January 17, 1997.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telephone (703) 602–0131. Telefax (703) 602–0350. Please cite DFARS Case 96–D030 in all correspondence related to this issue.

SUPPLEMENTARY INFORMATION:

A. Background

10 U.S.C. 2534 (a)(4)(B) restricted the acquisition of non-domestic machine tools in certain Federal Supply Classes for metalworking machinery. This restriction ceased to be effective on October 1, 1996. On November 15, 1996 (61 FR 58488), the DFARS was amended to remove language that implemented 10 U.S.C. 2534(a)(4)(B), at 225.7004,

252.225–7017, and 225.7040. This final rule makes a related amendment at DFARS 225.403–70. The rule removes the exception to application of the trade agreements acts for those machine tools for which acquisition was previously, but is no longer, restricted by 10 U.S.C. 2534(a)(4)(B).

B. Regulatory Flexibility Act

This final rule does not constitute a significant DFARS revision within the meaning of FAR 1.501 and Public Law 98–577 and publication for public comment is not required. However, comments from small entities concerning the affected DFARS subpart will be considered in accordance with 5 U.S.C. 610. Such comments should cite DFARS Case 96–D030 in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this final rule does not contain any information collection requirements that require approval by the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Part 225

Government procurement.
Michele P. Peterson,
Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Part 225 is amended as follows:

1. The authority citation for 48 CFR Part 225 continues to read as follows:

AUTHORITY: 41 U.S.C. 421 and 48 CFR Chapter 1.

PART 225—FOREIGN ACQUISITION

225.403–70 [Amended]

2. Section 225.403–70 is amended by removing the entry “34 Metalworking machinery (except 3408, 3410–3419, 3426, 3433, 3441–3443, 3446, 3448, 3449, 3460, 3461)” and inserting in its place the entry “34 Metalworking machinery”.

[FR Doc. 97–1040 Filed 1–6–97; 8:45 am]

BILLING CODE 5000–04–M

48 CFR Part 225

[DFARS Case 96–D319]

Defense Federal Acquisition Regulation Supplement; Authority To Waive Foreign Purchase Restrictions

AGENCY: Department of Defense (DoD).

ACTION: Interim rule with request for comments.

SUMMARY: The Director of Defense Procurement has issued an interim rule

amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement Section 810 of the National Defense Authorization Act of Fiscal Year 1997 (Public Law 104–201). Section 810 adds new authority to waive the restrictions on foreign purchases at 10 U.S.C. 2534.

DATES: *Effective date:* January 17, 1997.

Comment date: Comments on the interim rule should be submitted in writing to the address shown below on or before March 18, 1997, to be considered in the formulation of the final rule.

ADDRESSES: Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telefax number (703) 602–0350. Please cite DFARS Case 96–D319 in all correspondence related to this issue.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, (703) 602–0131.

SUPPLEMENTARY INFORMATION:

A. Background

This interim rule implements Section 810 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201). Section 810 adds new authority to waive the restrictions on foreign purchases at 10 U.S.C. 2534, applicable to buses, chemical weapons antidote, air circuit breakers, ball and roller bearings, totally enclosed lifeboat survival systems, and anchor and mooring chain, if application of the restrictions would impede the reciprocal procurement of defense items under a memorandum of understanding. However, this waiver authority will not be effective with regard to the additional restrictions on the acquisition of anchor and mooring chain, noncommercial ball and roller bearings, and totally enclosed lifeboat survival systems, contained in defense appropriations acts (and implemented at DFARS 225.7012, 225.7019, and 225.7022, respectively).

B. Regulatory Flexibility Act

This interim rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because there are no known small business manufacturers of buses, air circuit breakers, or the restricted chemical weapons antidote; acquisition of anchor and mooring chain, noncommercial ball and roller bearings, and totally enclosed lifeboat survival systems is presently restricted to domestic sources by defense

appropriations acts; and the restrictions of 10 U.S.C. 2534 do not apply to purchases of commercial items incorporating ball or roller bearings. An Initial Regulatory Flexibility Analysis has, therefore, not been prepared. Comments are invited from small businesses and other interested parties. Comments from small entities concerning the affected DFARS subparts also will be considered in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 96-D319 in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this interim rule does not contain any information collection requirements that require approval by the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

D. Determination to Issue an Interim Rule

A determination has been made under the authority of the Secretary of Defense that urgent and compelling reasons exist to publish this interim rule prior to affording the public an opportunity to comment. This action is necessary to implement Section 810 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201). Section 810 adds new authority to waive the restrictions on foreign purchases at 10 U.S.C. 2534, and was effective upon enactment on September 23, 1996. Comments received in response to the publication of this interim rule will be considered in formulating the final rule.

List of Subjects in 48 CFR Part 225

Government procurement.

Michele P. Peterson,
Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Part 225 is amended as follows:

1. The authority citation for 48 CFR Part 225 continues to read as follows:

Authority: 41 U.S.C. 421 and 48 CFR Chapter 1.

PART 225—FOREIGN ACQUISITION

2. Section 225.7005 is amended by revising paragraph (a)(3) to read as follows:

225.7005 Waiver of certain restrictions.

* * * * *

(a) * * *

(3) Application of the restriction would impede cooperative programs entered into between DoD and a foreign country or would impede the reciprocal

procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items under 225.872, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

* * * * *

3. Section 225.7019-3 is amended by revising paragraph (a)(1)(iv) to read as follows:

225.7019-3 Waiver.

(a) * * *

(1) * * *

(iv) Application of the restriction would impede cooperative programs entered into between DoD and a foreign country or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items under 225.872, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country;

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[FR Doc. 97-1038 Filed 1-16-97; 8:45 am]

BILLING CODE 5000-04-M

48 CFR Parts 225 and 252

[DFARS Case 96-D021]

Defense Federal Acquisition Regulation Supplement; Contingent Fees—Foreign Military Sales

AGENCY: Department of Defense (DoD).

ACTION: Interim rule with request for comments.

SUMMARY: The Director of Defense Procurement has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to conform to changes adopted in the Federal Acquisition Regulation (FAR), pertaining to elimination of requirements for Government review of a prospective contractor's contingent fee arrangements.

DATES: *Effective date:* January 17, 1997.

Comment date: Comments on the interim rule should be submitted in writing to the address shown below on or before March 18, 1997, to be considered in the formulation of the final rule.

ADDRESSES: Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense

Pentagon, Washington, DC 20301-3062. Telefax number (703) 602-0350. Please cite DFARS Case 96-D021 in all correspondence related to this issue.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, (703) 602-0131.

SUPPLEMENTARY INFORMATION:

A. Background

This interim rule amends DFARS 225.73, 252.212-7001, and 252.225-7027 to conform to the FAR revisions published as Item I of Federal Acquisition Circular 90-40 (61 FR 39188, July 26, 1996), which removed requirements for prospective contractors to provide certain information to the Government regarding contingent fee arrangements. This interim rule makes the associated DFARS changes related to contingent fees under contracts for foreign military sales.

B. Regulatory Flexibility Act

This interim rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the rule removes requirements for contracting officer review of contingent fee arrangements under foreign military sales contracts, but does not change the policy pertaining to the allowability of contingent fees under these contracts. An Initial Regulatory Flexibility Analysis has, therefore, not been prepared. Comments are invited from small businesses and other interested parties. Comments from small entities concerning the affected DFARS subparts also will be considered in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 96-D021 in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this interim rule does not contain any information collection requirements that require approval by the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

D. Determination to Issue an Interim Rule

A determination has been made under the authority of the Secretary of Defense that urgent and compelling reasons exist to publish this interim rule prior to affording the public an opportunity to comment. This interim rule conforms the DFARS to changes already adopted in the FAR. Federal Acquisition Circular 90-40 (FAR Case 93-009) eliminated the clause at FAR 52.203-4, Contingent Fee Representation and Agreement; the