

(3) For the second funding year, which will begin on July 1, 1999, the Administrator shall implement a filing period that treats all health care providers filing within that period as if they were simultaneously received. The initial filing period shall begin on the date that the Administrator begins to receive applications for support, and shall conclude on a date to be determined by the Administrator.

(4) The Administrator may implement such additional filing periods as it deems necessary.

\* \* \* \* \*

[FR Doc. 99-972 Filed 1-14-99; 8:45 am]

BILLING CODE 6712-01-P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 76

[CS Docket No. 97-248; RM No. 9097; FCC 98-189]

#### Cable Television Consumer Protection and Competition Act of 1992

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule; announcement of effective date.

**SUMMARY:** The Commission amended its rules regarding access to cable programming. These rules contained new and modified information collection requirements and became effective on December 23, 1998.

**EFFECTIVE DATE:** December 23, 1998.

**FOR FURTHER INFORMATION CONTACT:** Steven Broecker, Cable Services Bureau, (202) 418-7200.

#### SUPPLEMENTARY INFORMATION:

1. On August 6, 1998, the Commission adopted an order revising its program access rules. The revised rules will further the Commission's goal of increasing competition in the market for multichannel video programming by improving access to programming for all providers. See 63 FR 45740, August 27, 1998. Because amended § 76.1003 of the Commission's rules imposed new or modified information collection requirements, it could not become effective until approved by the Office of Management and Budget ("OMB"). OMB approved the rule changes on December 23, 1998.

2. The order stated that, upon approval by OMB, the Commission would publish a document announcing the effective date of the rules. The amendments to 47 CFR 76.1003 became effective on December 23, 1998.

Federal Communications Commission.

**Magalie Roman Salas,**

*Secretary.*

[FR Doc. 99-973 Filed 1-14-99; 8:45 am]

BILLING CODE 6712-01-M

## DEPARTMENT OF DEFENSE

**48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253**

[DFARS Case 97-D306]

#### Defense Federal Acquisition Regulation Supplement; Simplified Acquisition Procedures

**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 update guidance on simplified acquisition procedures for consistency with the reorganization of simplified acquisition procedures in the Federal Acquisition Regulation (FAR).

**EFFECTIVE DATE:** January 15, 1999.

**FOR FURTHER INFORMATION CONTACT:** Ms. Susan L. Schneider, Defense Acquisition Regulations Council, 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 97-D306.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This final rule revises DFARS Part 213 to conform to the revision of FAR Part 13 that was published as Item IV of Federal Acquisition Circular 97-03 on December 9, 1997 (62 FR 64916). The rule also amends other parts of the DFARS for consistency with FAR amendments that implemented provisions of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) pertaining to simplified acquisition procedures (e.g., replacement of the term "small purchase" with the term "simplified acquisition"). The FAR amendments were published as Item III of Federal Acquisition Circular 90-29 (60 FR 34741, July 3, 1995) and Item II of Federal Acquisition Circular 90-40 (61 FR 39189, July 26, 1996).

A proposed DFARS rule was published on May 8, 1998 (63 FR 25438). Seven respondents submitted comments on the proposed rule. All comments were considered in developing the final rule. The guidance

at 213.270 of the proposed rule, pertaining to use of the Governmentwide commercial purchase card, has been excluded from the final rule, as the underlying policy memoranda have been canceled and superseded. The superseding policy memorandum, issued by the Principal Deputy Under Secretary of Defense for Acquisition and Technology on October 2, 1998, entitled "Streamlined Payment Practices for Awards/Orders Valued at or below the Micro-Purchase Threshold," will be implemented in a future amendment to the DFARS.

##### B. Regulatory Flexibility Act

The Department of Defense certifies that this final rule will not 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 primarily consists of conforming DFARS amendments and internal Government procedures to implement existing FAR guidance pertaining to purchase at or below the simplified acquisition threshold.

##### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this final rule does not impose any information collection requirements that 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 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253**

Government procurement.

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253 are amended as follows:

1. The authority citation for 48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253 continues to read as follows:

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

#### PART 204—ADMINISTRATIVE MATTERS

2. Section 204.670-2 is amended by revising paragraph (c) to read as follows:

##### § 204.670-2 Reportable contracting actions.

\* \* \* \* \*

(c) Summarize on the monthly DD Form 1057, in accordance with the instructions in 253.204-71(a)(3), contracting actions that—

(1) Support a contingency operation as defined in 10 U.S.C. 101(a)(13) or a

humanitarian or peacekeeping operation as defined in 10 U.S.C. 2303(7); and

(2) Obligate or deobligate funds exceeding \$25,000 but not exceeding \$200,000.

\* \* \* \* \*

#### 204-804-1 [Amended]

3. Section 204.804-1 is amended in paragraph (2) by removing the phrase "small purchase" and adding in its place the phrase "simplified acquisition".

### PART 208—REQUIRED SOURCES OF SUPPLIES AND SERVICES

4. Section 208.405-2 is revised to read as follows:

#### 208.405-2 Order placement.

(1) When ordering from schedules, ordering offices—

(i) May use DD Form 1155, Order for Supplies or Services, to place orders for—

(A) Commercial items at or below the simplified acquisition threshold; and

(B) Other than commercial items at any dollar value (see 213.307);

(ii) Shall use SF 1449, Solicitation/Contract/Order for Commercial Items, to place orders for commercial items exceeding the simplified acquisition threshold (see FAR 12.204); and

(iii) May use SF 1449 to place orders for other than commercial items at any dollar value.

(2) Schedule orders may be placed orally if—

(i) The contractor agrees to furnish a delivery ticket for each shipment under the order (in the number of copies required by the ordering office). The ticket must include the—

(A) Contract number;

(B) Order number under the contract;

(C) Date of order;

(D) Name and title of person placing the order;

(E) Itemized listing of supplies or services furnished; and

(F) Date of delivery or shipment; and

(ii) Invoicing procedures are agreed upon. Optional methods of submitting invoices for payment are permitted, such as—

(A) An individual invoice with a receipted copy of the delivery ticket;

(B) A summarized monthly invoice covering all oral orders made during the month, with receipted copies of the delivery tickets (this option is preferred if there are many oral orders); or

(C) A contracting officer statement that the Government has received the supplies.

(3) For purchases where cash payment is an advantage, the use of imprest

funds in accordance with 213.305 is authorized when—

(i) The order does not exceed the threshold at FAR 13.305-3(a); and

(ii) The contractor agrees to the procedure.

(4) The Governmentwide commercial purchase card may be used to place schedule orders in accordance with agency procedures.

5. Section 208.7204 is amended by revising paragraph (a) to read as follows:

#### 208.7204 Procedures.

(a) Except as otherwise provided in FAR or DFARS, solicit planned producers for all acquisitions of their planned items, when the acquisition exceeds the simplified acquisition threshold.

\* \* \* \* \*

6. Section 208.7305 is amended by revising paragraph (a)(3) to read as follows:

#### 208.7305 Contract clause.

(a) \* \* \*

(3) For acquisitions at or below the simplified acquisition threshold.

\* \* \* \* \*

7. Part 213 is revised to read as follows:

### PART 213—SIMPLIFIED ACQUISITION PROCEDURES

Sec.

213.005 Federal Acquisition Streamlining Act of 1994 list of inapplicable laws.

#### Subpart 213.3—Simplified Acquisition Methods

213.302 Purchase orders.

213.302-3 Obtaining contractor acceptance and modifying purchase orders.

213.302-5 Clauses.

213.303 Blanket purchase agreements (BPAs).

213.303-5 Purchases under BPAs.

213.305 Imprest funds and third party drafts.

213.305-1 General.

213.305-3 Conditions for use.

213.306 SF 44, Purchase Order-Invoice-Voucher.

213.307 Forms.

#### Subpart 213.4—Fast Payment Procedure

213.402 Conditions for use.

#### Subpart 213.70—Simplified Acquisition Procedures Under the 8(a) Program

213.7001 Policy.

213.7002 Procedures.

213.7003 Purchase orders.

213.7003-1 Obtaining contractor acceptance and modifying purchase orders.

213.7003-2 Contract clauses.

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

### 213.005 Federal Acquisition Streamlining Act of 1994 list of inapplicable laws.

(a) The restriction on use of funds appropriated for fiscal year 1998 in Section 8117 of the National Defense Appropriations Act for Fiscal Year 1998 (Pub. L. 105-56) is inapplicable to contracts at or below the simplified acquisition threshold (see 222.1304(b)).

### Subpart 213.3—Simplified Acquisition Methods

#### 213.302 Purchase orders.

#### 213.302-3 Obtaining contractor acceptance and modifying purchase orders.

(1) Require written acceptance of purchase orders for classified acquisitions.

(2) Generally, use unilateral modifications (see FAR 43.103) for—

(i) No-cost amended shipping instructions if—

(A) The amended shipping instructions modify a unilateral purchase order; and

(B) The contractor agrees orally or in writing; and

(ii) Any change made before work begins if—

(A) The change is within the scope of the original order;

(B) The contractor agrees;

(C) The modification references the contractor's oral or written agreement; and

(D) Block 13D of Standard Form 30, Amendment of Solicitation/Modification of Contract, is annotated to reflect the authority for issuance of the modification.

(3) A supplemental agreement converts a unilateral purchase order to a bilateral agreement. If not previously included in the purchase order, incorporate the clause at 252.243-7001, Pricing of Contract Modifications, in the Standard Form 30, and obtain the contractor's acceptance by signature on the Standard Form 30.

#### 213.302-5 Clauses.

Use the clause at 252.243-7001, Pricing of Contract Modifications, in all bilateral purchase orders.

#### 213.303 Blanket purchase agreements (BPAs).

#### 213.303-5 Purchases under BPAs.

(b) Individual purchases for subsistence may be made at any dollar value; however, the contracting officer must satisfy the competition requirements of FAR Part 6 for any action not using simplified acquisition procedures.

**213.305 Imprest funds and third party drafts.****213.305-1 General.**

(1) As a matter of policy, DoD does not support the use of cash payments from imprest funds. This policy is based, in part, on the mandatory electronic funds transfer requirements of the Debt Collection Improvement Act of 1996 (Pub. L. 104-134).

(2) On a very limited basis, installation commanders and commanders of other activities with contracting authority may be granted authority to establish imprest funds and third party draft (accommodation check) accounts.

(3) Third party draft accounts, when established in accordance with DoD 7000.14-R, DoD Financial Management Regulation, Volume 5, Disbursing Policy and Procedures—

(i) Provide an alternative to cash and U.S. Treasury checks when the use of Government purchase or travel cards is not feasible;

(ii) Eliminate the need for cash on hand for imprest fund transactions; and

(iii) Give issuing activities the flexibility to issue low-volume and low-dollar value payment on site.

**213.305-3 Conditions for use.**

(d)(i) Use of imprest funds—

(A) Must comply with the conditions stated in—

(1) DoD 7000.14-R, DoD Financial Management Regulation, Volume 5, Disbursing Policy and Procedures; and

(2) The Treasury Financial Manual, Part 4, Chapter 3000, Section 3020; and

(B) Except as provided in paragraph (d)(ii) of this subsection, requires approval by the Director for Financial Commerce, Office of the Deputy Chief Financial Officer, Office of the Under Secretary of Defense (Comptroller).

(ii) Imprest funds are authorized for use without further approval for—

(A) Overseas transactions at or below the micro-purchase threshold in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(7); and

(B) Classified transactions.

**213.306 SF 44, Purchase Order-Invoice-Voucher.**

(a)(1) The micro-purchase limitation applies to all purchases, except that purchases not exceeding the simplified acquisition threshold may be made for—

(A) Aviation fuel and oil;

(B) Overseas transactions by contracting officers in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or

peacekeeping operation as defined in 10 U.S.C. 2302(7); and

(C) Transactions in support of intelligence and other specialized activities addressed by Part 2.7 of Executive Order 12333.

**213.307 Forms.**

(a) If SF 1449 is not used, use DD Form 1155 in accordance with paragraph (b)(i) of this section.

(b)(i) Use DD Form 1155, Order for Supplies or Services, for purchases made using simplified acquisition procedures.

(A) The DD Form 1155 serves as a—

(1) Purchase order or blanket

purchase agreement;

(2) Delivery order or task order;

(3) Receiving and inspection report;

(4) Property voucher;

(5) Document for acceptance by the supplier; and

(6) Public voucher, when used as—

(i) A delivery order;

(ii) The basis for payment of an invoice against blanket purchase agreements or basic ordering agreements when a firm-fixed-price has been established; or

(iii) A purchase order for acquisitions using simplified acquisition procedures.

(B) The DD Form 1155 is also authorized for use for—

(1) Orders placed in accordance with FAR Subparts 8.4, 8.6, 8.7, and 16.5; and

(2) Classified acquisition when the purchase is made within the United States, its possessions, and Puerto Rico. Attach the DD Form 254, Contract Security Classification Specification, to the purchase order.

(ii) Do not use Optional Form 347, Order for Supplies or Services, or Optional Form 348, Order for Supplies or Services Schedule—Continuation.

(iii) Use Standard Form 30, Amendment of Solicitation/Modification of Contract, to—

(A) Modify a purchase order; or

(B) Cancel a unilateral purchase order.

**Subpart 213.4—Fast Payment Procedure****213.402 Conditions for use.**

(a) Individual orders may exceed the simplified acquisition threshold for—

(i) Brand-name commissary resale subsistence; and

(ii) Medical supplies for direct shipment overseas.

**Subpart 213.70—Simplified Acquisition Procedures Under the 8(a) Program****213.7001 Policy.**

For sole source acquisitions under the 8(a) Program, contracting officers may

use the procedures established in the Memorandum of Understanding cited in 219.800.

**213.7002 Procedures.**

For acquisitions that are otherwise appropriate to be conducted using procedures set forth in this part, and also eligible for the 8(a) Program, contracting officers may use—

(a)(1) For sole source purchase orders not exceeding the simplified acquisition threshold, the procedures in 219.804-2(2); or

(2) For other types of acquisitions, the procedures in Subpart 219.8, excluding the procedures in 219.804-2(2); or

(b) The procedures for award to the Small Business Administration in FAR Subpart 19.8.

**213.7003 Purchase orders.****213.7003-1 Obtaining contractor acceptance and modifying purchase orders.**

The contracting officer need not obtain a contractor's written acceptance of a purchase order or modification of a purchase order for an acquisition under the 8(a) Program pursuant to 219.804-2(2).

**213.7003-2 Contract clauses.**

Use the clauses prescribed in 219.811-3 (1) and (3) for purchase orders under the 8(a) Program pursuant to the Memorandum of Understanding cited in 219.800.

**PART 216—TYPES OF CONTRACTS**

8. Section 216.203-4 is amended in the introductory text of paragraph (a) by adding a comma after the word "Supplies"; and by revising paragraphs (a)(i) and (b)(i) to read as follows:

**216.203-4 Contract clauses.**

(a) \* \* \*

(i) The total contract price exceeds the simplified acquisition threshold; and

\* \* \* \* \*

(b) \* \* \*

(i) The total contract price exceeds the simplified acquisition threshold; and

\* \* \* \* \*

**PART 217—SPECIAL CONTRACTING METHODS**

9. Section 217.7302 is amended by revising paragraph (b) to read as follows:

**217.7302 Procedure.**

\* \* \* \* \*

(b) The requirement in paragraph (a) of this section does not apply to contracts that are—

(1) For commercial items; or

(2) Valued at or below the simplified acquisition threshold.

10. Section 217.7504 is amended by revising paragraph (a)(2) to read as follows:

217.7504 Limitations on price increases.

- (a) \* \* \*
(2) Departments and agencies may specify an alternate percentage or percentages for contracts at or below the simplified acquisition threshold.

PART 219—SMALL BUSINESS PROGRAMS

11. Section 219.201 is amended by redesignating paragraphs (c) and (d) as paragraphs (d) and (e), respectively; and by revising newly designated paragraph (d)(9)(A) to read as follows:

219.201 General policy.

- (d) \* \* \*
(9) \* \* \*
(A) Reviewing and making recommendations for all acquisitions over \$10,000, except those restricted for exclusive small business participation;

PART 223—ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE

12. Section 223.570-4 is amended by revising paragraph (b) to read as follows:

223.570-4 Contract clause.

- (b) Do not use the clause in solicitations and contracts—
(1) For commercial items;
(2) When performance or partial performance will be outside the United States, its territories, and possessions, unless the contracting officer determines such inclusion to be in the best interest of the Government; or
(3) When the value of the acquisition is at or below the simplified acquisition threshold.

PART 225—FOREIGN ACQUISITION

13. Section 225.105 is amended by revising paragraph (5)(ii)(B) to read as follows:

225.105 Evaluating offers.

- (5) \* \* \*
(ii) \* \* \*
(B) "Domestically produced or manufactured products" under small business set-asides or small business reservations; and

14. Section 225.770-3 is amended by revising paragraph (a) to read as follows:

225.770-3 Exceptions.

- \* \* \* \* \*
(a) Purchase at or below the simplified acquisition threshold;
\* \* \* \* \*

PART 237—SERVICE CONTRACTING

237.7302 [Amended]

15. Section 237.7302 is amended in the third sentence by removing the reference "13.105" and adding in its place the reference "13.003(b)(1)".

PART 242—CONTRACT ADMINISTRATION

242.203 [Amended]

16. Section 242.203 is amended in paragraph (a)(i)(P) by adding, after the semicolon, the word "and"; in paragraph (a)(i)(Q) by removing ";" and adding a period in its place; and by removing paragraph (a)(i)(R).

PART 246—QUALITY ASSURANCE

17. Section 246.370 is amended by revising paragraph (b)(1) to read as follows:

246.370 Material inspection and receiving report.

- \* \* \* \* \*
(b) \* \* \*
(1) Contracts awarded using simplified acquisition procedures;
\* \* \* \* \*

PART 247—TRANSPORTATION

18. Section 247.271-3 is amended by revising paragraphs (b)(1) and (b)(2)(iv)(B) to read as follows:

247.271-3 Procedures.

- \* \* \* \* \*
(b) \* \* \*
(1) Excess requirements are those services that exceed contractor capabilities available under contracts. Use simplified acquisition procedures to satisfy excess requirements.
(2) \* \* \*
(iv) \* \* \*
(B) Using simplified acquisition procedures.
\* \* \* \* \*

19. Section 247.573 is amended by revising paragraphs (a), (b), and (c) to read as follows:

247.573 Solicitation provision and contract clauses.

- (a) Use the provision at 252.247-7022, Representation of Extent of Transportation by Sea, in all solicitations except—
(1) Those for direct purchase of ocean transportation services; or

(2) Those with an anticipated value at or below the simplified acquisition threshold.

(b) Use the clause at 252.247-7023, Transportation of Supplies by Sea, in all solicitations and resultant contracts, except—

(1) Those for direct purchase of ocean transportation services; or

(2) Those with an anticipated value at or below the simplified acquisition threshold.

(c) Use the clause at 252.247-7024, Notification of Transportation of Supplies by Sea, in all contracts for which the offeror made a negative response to the inquiry in the provision at 252.247-7022, Representation of Extent of Transportation by Sea.

PART 253—FORMS

253.204-70 [Amended]

20. Section 253.204-70 is amended in paragraph (d)(5)(iv)(A) (2) by removing the reference "13.105" and adding in its place the reference "13.003(b)(1)".

21. Section 253.204-71 is amended by revising paragraph (a)(3) introductory text and paragraphs (g)(2)(ii)(C) and (i)(1) to read as follows:

253.204-71 DD Form 1057, Monthly Contracting Summary of Actions \$25,000 or Less.

- (a) \* \* \*
(3) Report actions of \$25,000 or less in support of a contingency operation as defined in 10 U.S.C. 101(a)(13), or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(7), in accordance with the instructions in paragraphs (c) through (j) of this subsection. Report actions exceeding \$25,000 but not exceeding \$200,000 in support of a contingency operation as defined in 10 U.S.C. 101(a)(13), or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(7), on the monthly DD Form 1057 as follows:

\* \* \* \* \*

- (g) \* \* \*
(2) \* \* \*
(ii) \* \* \*

(C) Block E2c, SB Set-Aside Using Simplified Acquisition Procedures. Enter actions pursuant to FAR 13.003(b)(1) when award is to an SDB, but a preference was not applied.

\* \* \* \* \*

- (i) \* \* \*
(1) Enter the total number and dollar value of actions in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(7). The numbers entered

here are a breakout of the numbers already entered in Sections B and C.

\* \* \* \* \*

22. Section 253.213 is amended by redesignating paragraph (e) as paragraph (f); and in newly designated paragraph (f) by revising the introductory text of (f) and paragraph (f)(i) to read as follows:

**253.213 Simplified acquisition procedures (SF's 18, 30, 44, 1165, 1449, and OF's 336, 347, and 348).**

(f) DoD uses the DD Form 1155, Order for Supplies or Services, instead of OF 347; and OF 336, Continuation Sheet, instead of OF 348.

(i) Use the DD Form 1155 as prescribed in 213.307(b)(i) and in accordance with the instructions at 253.213-70.

\* \* \* \* \*

[FR Doc. 99-844 Filed 1-14-99; 8:45 am]

BILLING CODE 5000-04-M

## DEPARTMENT OF DEFENSE

### 48 CFR Parts 225 and 252

[DFARS Case 98-D310]

#### Defense Federal Acquisition Regulation Supplement; Para-Aramid Fibers and Yarns

**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 807 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999. Section 807 sets forth conditions under which DoD may procure articles containing para-aramid fibers and yarns manufactured in certain foreign countries.

**DATES:** Effective date: January 15, 1999.

*Comment date:* Comments on the interim rule should be submitted in writing to the address shown below on or before March 16, 1999, 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 (703) 602-0350.

E-mail comments submitted over the Internet should be addressed to: dfars@acq.osd.mil

Please cite DFARS Case 98-D310 in all correspondence related to this issue. E-mail comments should cite DFARS Case 98-D310 in the subject line.

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

#### SUPPLEMENTARY INFORMATION:

##### A. Background

The "Berry Amendment" (10 U.S.C. 2241 note) restricts the procurement of foreign synthetic fabric or coated synthetic fabric, including textile fibers and yarns for use in such fabrics. Section 807 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261) provides that the Secretary of Defense may waive the foreign source restrictions for para-aramid fibers and yarns under certain conditions. This interim rule amends DFARS 225.7002-2 and the clause at 252.225-7012 to implement Section 807.

##### 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 only known U.S. manufacturer of para-aramid fibers and yarns is DuPont, which is a large business. An initial regulatory flexibility analysis has, therefore, not been performed. 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 98-D310 in correspondence.

##### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this rule does not impose any information collection requirements that require the approval of 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 implements Section 807 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999, which sets forth conditions under which DoD may procure articles containing para-aramid fibers and yarns manufactured in certain foreign countries. Section 807 became

effective on October 17, 1998.

Comments received in response to the publication of this interim rule will be considered formulating the final rule.

#### List of Subjects in 48 CFR Parts 225 and 252

Government procurement.

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR Parts 225 and 252 are amended as follows:

1. The authority citation for 48 CFR Parts 225 and 252 continues to read as follows:

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

#### PART 225—FOREIGN ACQUISITION

2. Section 225.7002-2 is amended by adding paragraph (k) to read as follows:

##### 225.7002-2 Exceptions.

\* \* \* \* \*

(k) Purchases of articles containing para-aramid fibers and yarns manufactured in a qualifying country (see 225.872) if the Secretary of Defense makes a determination in accordance with Section 807 of Pub. L. 105-261 that—

(1) Procuring articles that contain only para-aramid fibers and yarns manufactured from suppliers within the United States or its possessions would result in sole source contracts or subcontracts for the supply of such para-aramid fibers and yarns;

(2) Such sole source contracts or subcontracts would not be in the best interest of the Government or consistent with the objectives of the Competition in Contracting Act (10 U.S.C. 2304); and

(3) The qualifying country permits U.S. firms that manufacture para-aramid fibers and yarns to compete with foreign firms for the sale of para-aramid fibers and yarns in that country.

#### PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

3. Section 252.225-7012 is amended by revising the clause date; in paragraph (b)(3) by removing "or" at the end; in paragraph (b)(4)(iv) by removing the period and adding in its place "; or"; and by adding paragraph (b)(5) to read as follows:

##### 252.225-7012 Preference for certain domestic commodities.

\* \* \* \* \*

##### Preference for Certain Domestic Commodities (Jan 1999)

\* \* \* \* \*