

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Parts 47 and 52**[FAC 97-17; FAR Case 1998-604 (98-604);
Item V]

RIN 9000-A139

**Federal Acquisition Regulation; Ocean
Transportation by U.S.-Flag Vessels****AGENCIES:** Department of Defense (DoD),
General Services Administration (GSA),
and National Aeronautics and Space
Administration (NASA).**ACTION:** Final rule.**SUMMARY:** The Civilian Agency
Acquisition Council and the Defense
Acquisition Regulations Council
(Councils) have agreed on a final rule
amending the Federal Acquisition
Regulation (FAR) to apply the
preference for U.S.-flag vessels to
contracts awarded using simplified
acquisition procedures.**DATES:** *Effective Date:* June 26, 2000.*Applicability Date:* The FAR, as
amended by this rule, is applicable to
solicitations issued on or after June 26,
2000.**FOR FURTHER INFORMATION CONTACT:** The
FAR Secretariat, Room 4035, GS
Building, Washington, DC 20405, (202)
501-4755, for information pertaining to
status or publication schedules. For
clarification of content, contact Ms.
Linda Klein, Procurement Analyst, at
(202) 501-3775. Please cite FAC 97-17,
FAR case 1998-604.**SUPPLEMENTARY INFORMATION:****A. Background**

The Councils published a proposed
rule in the **Federal Register** on July 12,
1999 (64 FR 37640). Five respondents
submitted public comments on the
proposed rule. The Councils considered
all public comments in the formulation
of the final rule.

This rule amends the FAR as follows:

- Applies the preference for U.S.-flag
vessels to contracts awarded using
simplified acquisition procedures
(47.504, 52.213-4, and 52.247-64).
- Adds to the clause at 52.212-5,
Contract Terms and Conditions
Required to Implement Statutes or
Executive Orders—Commercial Items,
Alternate I to 52.247-64, Preference for
Privately Owned U.S.-Flag Commercial
Vessels.

The final rule does not incorporate in
the clause at 52.247-64 the exception at

47.504(e) for subcontracts for
commercial items or commercial
components. The Councils will address
this issue under FAR case 1999-024,
Preference for U.S.-Flag Vessels—
Subcontracts for Commercial Items.

This rule was not subject to Office of
Management and Budget review under
Section 6(b) of Executive Order 12866,
Regulatory Planning and Review, dated
September 30, 1993. This rule is not a
major rule under 5 U.S.C. 804.

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 within the
meaning of the Regulatory Flexibility
Act, 5 U.S.C. 601, *et seq.*, because most
ocean transportation companies are
large business concerns. This rule does
not apply to acquisitions by the
Department of Defense.

C. Paperwork Reduction Act

The Paperwork Reduction Act
applies. The information collection
requirements of the clause at FAR
52.247-64 have been approved under
OMB Control Number 9000-0061,
which also covers clauses at 52.247-6,
52.247-29 through 52.247-44, 52.247-
48, 52.247-52, and 52.247-57. FAR
52.247-64 requires contractors to
submit a legible copy of the on-board
ocean bill of lading for each shipment
to the contracting officer and the
Maritime Administration. This rule
makes 52.247-64 applicable to
acquisitions below the simplified
acquisition threshold. However, these
respondents are already required to
submit some form of bill of lading under
52.247-29 through 52.247-44. We
estimate an increased number of
responses per respondent (21), but a
decreased number of hours per response
(.05), resulting in no change to the
number of respondents (65,000) and
total response hours (65,780).

**List of Subjects in 48 CFR Parts 47 and
52**

Government procurement.

Dated: April 13, 2000.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, DoD, GSA, and NASA
amend 48 CFR parts 47 and 52 as set
forth below:

1. The authority citation for 48 CFR
parts 47 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 47—TRANSPORTATION**47.504 [Amended]**

2. In section 47.504, remove
paragraph (d) and redesignate paragraph
(e) as (d).

**PART 52—SOLICITATION PROVISIONS
AND CONTRACT CLAUSES**

3. In section 52.212-5, revise the date
of the clause; redesignate paragraph
(b)(26) as (b)(26)(i); and add paragraph
(b)(26)(ii) to read as follows:

**52.212-5 Contract Terms and Conditions
Required to Implement Statutes or
Executive Orders—Commercial Items.**

* * * * *

Contract Terms and Conditions Required to
Implement Statutes or Executive Orders—
Commercial Items (June 2000)

* * * * *

(b) * * *

— (26)(ii) Alternate I of 52.247-64.

* * * * *

4. In section 52.213-4, revise the date
of the clause; and add paragraph
(b)(1)(xi) to read as follows:

**52.213-4 Terms and Conditions—
Simplified Acquisitions (Other Than
Commercial Items).**

* * * * *

Terms and Conditions—Simplified
Acquisitions (Other Than Commercial Items)
(June 2000)

* * * * *

(b) * * *

(1) * * *

(xi) 52.247-64, Preference for Privately
Owned U.S.-Flag Commercial Vessels (June
2000) (46 U.S.C. 1241). (Applies to supplies
transported by ocean vessels.)

* * * * *

5. In section 52.247-64, revise the
date of the clause and paragraph (d);
and remove paragraph (e)(1) and
redesignate paragraphs (e)(2) through
(e)(4) as (e)(1) through (e)(3),
respectively. The revised text reads as
follows:

**52.247-64 Preference for Privately Owned
U.S.-Flag Commercial Vessels.**

* * * * *

Preference for Privately Owned U.S.-Flag
Commercial Vessels (June 2000)

* * * * *

(d) The Contractor shall insert the
substance of this clause, including this
paragraph (d), in all subcontracts or purchase
orders under this contract.

* * * * *

[FR Doc. 00-10135 Filed 4-24-00; 8:45 am]

BILLING CODE 6820-EP-P