

regulations. Nothing in the rule encourages contracting officers to wrongly direct subcontract orders.

5. *Comment:* One source stated that some of the subcontractors under the prime contract may compete with the prime for other prime contracts. The prime contractor may gain a competitive advantage over these other contractors on future competitions, since the prime will have insight into the composition of their rates.

DoD Response: Nothing in the rule provides prime contractors insight into the composition of their subcontract rates. The prime contractor will bill for subcontract labor using its negotiated fixed hourly rates for the subcontractor.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

B. Regulatory Flexibility Act

DoD has prepared a final regulatory flexibility analysis consistent with 5 U.S.C. 604. A copy of the analysis may be obtained from the point of contact specified herein. The analysis is summarized as follows:

This DFARS rule contains a substitute paragraph for use with the solicitation provision at FAR 52.216–29. The FAR provision contains three options for establishing fixed hourly rates on competitively awarded non-commercial time-and-materials and labor-hour contracts. The DFARS rule requires use of the FAR option that provides for the establishment of separate fixed hourly rates for each category of labor performed by the contractor and each subcontractor. The objective of the rule is to use the FAR option for establishing labor rates that is the most suitable for DoD contracts. The rule will apply to all entities interested in receiving DoD competitively awarded non-commercial time-and-materials and labor-hour contracts. The impact on small entities is unknown at this time.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply, because the 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 216 and 252

Government procurement.

Michele P. Peterson,
Editor, Defense Acquisition Regulations System.

PART 216—[AMENDED]

Interim Rule Adopted as Final Without Change

■ Accordingly, the interim rule amending 48 CFR parts 216 and 252, which was published at 71 FR 74469 on December 12, 2006, is adopted as a final rule without change.

[FR Doc. E7–17423 Filed 9–5–07; 8:45 am]

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DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 236

RIN 0750–AF41

Defense Federal Acquisition Regulation Supplement; Congressional Notification of Architect—Engineer Services/Military Family Housing Contracts (DFARS Case 2006–D015)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD has adopted as final, without change, an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement Section 1031(a)(37) of the National Defense Authorization Act for Fiscal Year 2004. Section 1031(a)(37) amended the requirements for submission of a notification to Congress before the award of a contract for architectural and engineering services or construction design in connection with military construction, military family housing, or restoration or replacement of damaged or destroyed facilities.

EFFECTIVE DATE: September 6, 2007.

FOR FURTHER INFORMATION CONTACT: Ms. Felisha Hitt, Defense Acquisition Regulations System, OUSD (AT&L) DPAP (DARS), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telephone (703) 602–0310; facsimile (703) 602–7887. Please cite DFARS Case 2006–D015.

SUPPLEMENTARY INFORMATION:

A. Background

DoD published an interim rule at 71 FR 58540 on October 4, 2006, to implement Section 1031(a)(37) of the National Defense Authorization Act for Fiscal Year 2004 (Pub. L. 108–136). Section 1031(a)(37) amended the requirements at 10 U.S.C. 2807, for submission of a notification to Congress before the award of a contract for architectural and engineering services or construction design in connection with military construction, military family housing, or restoration or replacement of damaged or destroyed facilities. The amendments increased the contract dollar threshold for submission from \$500,000 to \$1,000,000; and reduced the time period for submission, from 21 to 14 days before obligation of funds, when the notification is provided in electronic medium.

DoD received no comments on the interim rule. Therefore, DoD has adopted the interim rule as a final rule without change.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

B. Regulatory Flexibility Act

DoD 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 relates to reporting requirements that are internal to the Government.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply, because the 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 Part 236

Government procurement.

Michele P. Peterson,
Editor, Defense Acquisition Regulations System.

PART 236—[AMENDED]

Interim Rule Adopted as Final Without Change

Accordingly, the interim rule amending 48 CFR Part 236, which was published at 71 FR 58540 on October 4, 2006, is adopted as a final rule without change.

[FR Doc. E7–17427 Filed 9–5–07; 8:45 am]

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