

DEPARTMENT OF DEFENSE**Defense Acquisition Regulations System****48 CFR Part 212**

RIN 0750-AF93

Defense Federal Acquisition Regulation Supplement; Extension of Authority To Carry Out Certain Prototype Projects (DFARS Case 2008-D008)

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

ACTION: Final rule.

SUMMARY: DoD has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement Section 823 of the National Defense Authorization Act for Fiscal Year 2008. Section 823 provides a 5-year extension of the authority for DoD to carry out a pilot program for transition to follow-on contracting after use of other transaction authority.

EFFECTIVE DATE: April 23, 2008.

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 2008-D008.

SUPPLEMENTARY INFORMATION:**A. Background**

This final rule implements Section 823 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110-181). Section 823 amended Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (as amended by Section 847 of the National Defense Authorization Act for Fiscal Year 2004) (10 U.S.C. 2371 note), to provide a 5-year extension of the authority for DoD to carry out a pilot program for follow-on contracting for the production of items or processes begun as prototype projects under other transaction agreements. Items or processes that do not otherwise meet the definition of "commercial item" may be treated as commercial items in the award of contracts and subcontracts under the pilot program. In addition, items or processes acquired under the pilot program may be treated as developed in part with Federal funds and in part at private expense for purposes of negotiating rights in technical data.

The pilot program is addressed in DFARS Subpart 212.70. Accordingly, DFARS Subpart 212.70 is amended to reflect the extended expiration date, from September 30, 2008, to September 30, 2013.

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

B. Regulatory Flexibility Act

This rule will not have a significant cost or administrative impact on contractors or offerors, or a significant effect beyond the internal operating procedures of DoD. Therefore, publication for public comment under 41 U.S.C. 418b is not required. However, DoD will consider comments from small entities concerning the affected DFARS subpart in accordance with 5 U.S.C. 610. Such comments should cite DFARS Case 2008-D008.

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 212

Government procurement.

Michele P. Peterson,

Editor, Defense Acquisition Regulations System.

■ Therefore, 48 CFR Part 212 is amended as follows:

PART 212—ACQUISITION OF COMMERCIAL ITEMS

■ 1. The authority citation for 48 CFR part 212 continues to read as follows:

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

212.7002-1 [Amended]

■ 2. Section 212.7002-1 is amended in paragraph (a)(4) by removing "2008" and adding in its place "2013".

212.7002-2 [Amended]

■ 3. Section 212.7002-2 is amended in paragraph (a)(3) by removing "2008" and adding in its place "2013".

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DEPARTMENT OF DEFENSE**Defense Acquisition Regulations System****48 CFR Parts 225 and 252**

RIN 0750-AF91

Defense Federal Acquisition Regulation Supplement; Deletion of Obsolete Restriction on Acquisition of Vessel Propellers (DFARS Case 2007-D027)

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

ACTION: Final rule.

SUMMARY: DoD has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to remove text addressing an obsolete restriction on the acquisition of vessel propellers from foreign sources. The statute upon which the restriction was based applied only to acquisitions using fiscal year 2000 or 2001 funds.

EFFECTIVE DATE: April 23, 2008.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, Defense Acquisition Regulations System, OUSD(AT&L)DPAP(DARS), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telephone 703-602-0328; facsimile 703-602-7887. Please cite DFARS Case 2007-D027.

SUPPLEMENTARY INFORMATION:**A. Background**

The text at DFARS 225.7010 through 225.7010-4, and the corresponding contract clause at DFARS 252.225-7023, were added on December 13, 2000 (65 FR 77827), to implement provisions of Section 8064 of the Fiscal Year 2001 DoD Appropriations Act (Pub. L. 106-259) relating to vessel propellers. Section 8064 prohibited the use of fiscal year 2000 or 2001 DoD appropriated funds for the procurement of vessel propellers, other than those produced by a domestic source and of domestic origin, unless an exception applied or a waiver was granted. This prohibition was not repeated in subsequent appropriations acts and, therefore, is removed from the DFARS.

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

B. Regulatory Flexibility Act

This rule will not have a significant cost or administrative impact on contractors or offerors, or a significant effect beyond the internal operating