been considered in the past, or could not be considered in the future, by contracting officers or agency debarring officials.

The FAR Council invited comments on the two rules. In the interim rule-stay, FAR Case 1999–010, comments were requested on the length of the stay. Ninety-eight public comments were received. Ninety-one public comments, 93 percent of the public comments, generally supported the interim rule-stay. All comments were considered in the finalization of the interim rule-stay. The FAR Council has determined to finalize the stay to terminate with the publication of the finalization of the accompanying proposed rule revoking the December rule. In an accompanying final rule, FAR case 2001–014, published concurrently with this rule, the final rule revokes the December 2000 rule.

When staying Code of Federal Regulations text, if the previous text is restored, the **Federal Register** requires different numbering from the stayed text. The stayed text uses the numbering that was published in Federal Acquisition Circular 97–21. The revised numbering of the restored text is not a substantive change. Terminating the stay reverses this process and is also not a substantive change.

This is a significant rule and was 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 the action terminates stayed FAR revisions implemented under FAR case 1999–010 published in the **Federal Register** on December 20, 2000 (65 FR 80255), that did not have a significant economic impact on a substantial number of small entities.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose 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 9, 14, 15, 31, and 52

Government procurement.

Dated: December 14, 2001.

Gloria M. Sochon,

Acting Director, Acquisition Policy Division.

Accordingly, the interim rule (stay) published in the **Federal Register** at 66 FR 17754, April 3, 2001, is terminated, and DoD, GSA, and NASA further amend 48 CFR parts 9, 14, 15, 31, and 52 as set forth below:

1. The authority citation for 48 CFR parts 9, 14, 15, 31, 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 9—CONTRACTOR QUALIFICATIONS

9.103 [Amended]

2. Amend section 9.103 by removing paragraph (c); and by redesignating paragraph (d) as paragraph (c).

9.104–1 [Amended]

3. Amend section 9.104–1 by removing paragraph (e); and by redesignating paragraphs (f), (g), and (h) as (e), (f), and (g), respectively.

PART 14—SEALED BIDDING

14.404–2 [Amended]

4. Amend section 14.404–2 by removing paragraph (j); and by redesignating paragraphs (k), (l), and (m) as (j), (k), and (l), respectively.

PART 15—CONTRACTING BY NEGOTIATION

15.503 [Amended]

5. Amend section 15.503 by removing paragraph (a)(2), and by redesignating paragraph (a)(3) as (a)(2).

PART 31—CONTRACT COST PRINCIPLES AND PROCEDURES

31.205–47 [Amended]

6. Amend section 31.205–47 in paragraph (a) by removing the definition ''Fraud''; by removing paragraph (b)(3); and by redesignating paragraphs (b)(4), (b)(5), and (b)(6), as (b)(3), (b)(4), and (b)(5), respectively.

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

52.209–5 [Amended]

7. Amend section 52.209–5 by removing paragraphs (a)(1)(i)(D) and (a)(1)(i)(E).

52.212–3 [Amended]

8. Amend section 52.212–3 by removing paragraph (i); and by redesignating paragraph (j) as (i).

[FR Doc. 01–31301 Filed 12–26–01; 8:45 am]

BILLING CODE 6820–EP–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 9, 14, 15, 31, and 52

[FAC 2001–03; FAR Case 2001–014; Item II]

RIN 9000–AJ10

Federal Acquisition Regulation; Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings—Revocation

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: The Federal Acquisition Regulatory Council (FAR Council) published in the **Federal Register** at 66 FR 17758, April 3, 2001, a proposed rule (April proposed rule) with request for public comment. The April proposed rule proposed revoking a final rule published in the **Federal Register** at 65 FR 80255, December 20, 2000 (December final rule). The December final rule addressed responsibility, labor relations costs, and costs incurred in legal and other proceedings. This rule finalizes the aforementioned April proposed rule.

An interim FAR rule was published in the **Federal Register** at 66 FR 17754, April 3, 2001, concurrently with the April proposed rule. The interim rule immediately stayed the December final rule (under FAR case 1999–010, Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings). During the stay, the FAR text was restored to the text as it existed before January 19, 2001. The FAR Council intended the stay to last for 270 days from April 3, 2001 (December 29, 2001), or until finalization of the April proposed rule, whichever was sooner. In a separate document being published elsewhere in this issue, the FAR Council is terminating the stay.

The FAR Council published in the **Federal Register** at 66 FR 23134, May 7, 2001, an extension of the April

proposed rule public comment period from June 4, 2001, to July 6, 2001, and a notice of a public meeting on the April proposed rule, which was conducted on June 18, 2001.

DATES: *Effective Date:* December 27, 2001.

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 Mr. Ralph De Stefano, Procurement Analyst, at (202) 501–1758. Please cite FAC 2001–03, FAR case 2001–014.

SUPPLEMENTARY INFORMATION:

A. Background

1. The Final Rule

The final rule published in the **Federal Register** at 65 FR 80255 (December final rule) included the following revisions:

FAR Part 9

At FAR 9.104–1(d), added language stating that a satisfactory record of integrity and business ethics includes satisfactory compliance with the law including tax, labor and employment, environmental, antitrust, and consumer protection laws.

At FAR 9.104–3(c), required contracting officers to consider all relevant credible information but stated that the greatest weight must be given to offenses adjudicated within the past three years.

FAR Parts 14 and 15

At 14.404–2(i) and 15.503(a)(1), directed contracting officers to notify offerors if the offerors were excluded based on a nonresponsibility determination.

FAR Part 31

At FAR 31.205–21, made unallowable those costs incurred for activities that assist, promote, or deter unionization.

At FAR 31.305–47, made unallowable those costs incurred in civil or administrative proceedings brought by a government where the contractor violated, or failed to comply with, a law or regulation.

FAR Part 52

At FAR 52.209–5, amended the previous certification to require offerors to certify to additional violations (violations of tax, labor and employment, environmental, antitrust, or consumer protection laws) adjudicated within the last three years. It was a check-the-box certification. An offeror would have to provide additional detailed information only upon the request of the contracting officer.

At 52.212–3(h), made an equivalent change for the certification for commercial items.

2. The Stay

The interim rule published at 66 FR 17754, April 3, 2001, immediately stayed the December final rule and also requested public comment. During the stay, the FAR text was restored to the text, as it existed before January 19, 2001. The FAR Council intended the stay to last for 270 days from April 3, 2001 (December 29, 2001), or until finalization of the April proposed rule, whichever is sooner. In a separate document being published today elsewhere in this issue, the FAR Council is terminating the stay.

The FAR Council determined that the December final rule 30-day effective date did not give contractors, and the Government, sufficient time to meet the new obligations and responsibilities imposed by the final rule. Government contracting officers had not had sufficient training.

Offerors had not had sufficient time to establish a system to track compliance with applicable laws and keep it current, in order to be able to properly fill out the certification. Although there is language in the noncommercial items certification, which assures contractors that no system of records needs to be established to render the certification in good faith, this language was not found in the commercial items certification. There are criminal penalties for a false certification (18 U.S.C. 1001). The FAR Council recognized that it would take more time than it anticipated for businesses to put the systems in place. Ninety-eight comments were received on the stay.

3. Extension of Public Comment Period and Public Meeting

The FAR Council published in the **Federal Register** at 66 FR 23134, May 7, 2001, an extension of the April proposed rule public comment period from June 4, 2001, to July 6, 2001, to ensure potential commentors had adequate time to prepare their comments, and a notice of a public meeting on June 18, 2001, to ensure an open dialogue between the Government and interested parties on the April proposed rule. Twenty-seven individuals and organizations presented at the public meeting.

4. Reconsideration

Under the April proposed rule, the FAR Council reassessed the advantages and disadvantages of the changes made by the December 20, 2000, final rule, to determine if the benefits of the rule are outweighed by the burdens imposed by the rule. In this regard, it was not clear to the FAR Council that there is a justification for including the added categories of covered laws in the rule and its implementing certification, that the rule provided contracting officers with sufficient guidelines to prevent arbitrary or otherwise abusive implementation, or that the final rule was justified from a cost-benefit perspective.

The FAR Council realized that there was a high degree of controversy about the merits of the December final rule (there were 1800 public comments). The typical FAR rule generates about 1 percent of that amount. The two proposed rules that resulted in the December final rule were the most controversial ever published by the FAR Council. Adverse comments were made by individuals within the Government itself, as well as by the public.

After the publication of the December final rule, the FAR Council continued to receive information that the December final rule was not in the best interests of industry or the Government. The FAR Council wanted to be responsive to the needs of the contracting community, and therefore continued a dialog about the rule. Some 4698 public comments were received in response to the April 3, 2001, proposed rule. All comments were considered in the formulation of the final rule (see Section 5 of this preamble). The FAR Council has determined that the December final rule should be revoked in its entirety.

With the revocation of the December final rule, contracting officers will continue to have the authority and duty to make responsibility decisions. Agency debarring officials will continue to have the authority and duty to make determinations whether to suspend and debar a contractor. The requirement that contractors must be responsible is statutory. Offerors must have a satisfactory record of integrity and business ethics.

The FAR Council fully supports the proposition that Government contracts should be awarded to law-abiding entities. Entities whose behavior reflects negatively on their responsibility have always been subject to scrutiny and the possibility of being disqualified for award of Government contracts. In fact, the very last thing a contracting officer must do before awarding a Government contract is determine whether the company is responsible. This requirement has been a long-standing policy and process of Government

contracting dating prior to the Civil War. Ferreting out companies who are not responsible has been a responsibility shared by a number of individuals in the Government's contracting process. The FAR Council supports the principle that the Government should do business only with those entities willing and able to comply with the laws enumerated in the December final rule.

After reviewing the public comments submitted in response to the proposed revocation of the December final rule (66 FR 17758, April 3, 2001), it is clear that there is a conviction held by people at many levels and many walks of life that the Government should conduct its business with corporations that adhere to the law. The problem lies in the means to ensure that the entities with which the Government conducts its business are good citizens and adhere to the myriad of regulations and laws. In other words, we support the objective but find the vehicle unworkable and defective.

The FAR Council finds that the current regulations governing suspension and debarment provide adequate protection to address serious threats of waste, fraud, abuse, poor performance, and noncompliance. Any one of these concerns may authorize suspension or debarment under appropriate conditions and circumstances, subject to judicial review.

The FAR Council reminds members of the general public that anyone may submit to an agency debarment official relevant information about the responsibility of a company seeking to do business with the Government. Debarment and suspension provides a means of getting adverse information to appropriate Government officials with appropriate procedures, knowledge, and skills to review and take appropriate action in such matters. This process also provides subjects of those actions with due process procedures that will withstand judicial scrutiny. The outcome of these reviews have Governmentwide applicability within the executive branch.

The existing debarment process provides the authority for at least one official in an executive agency which procures goods or services with appropriated funds under the FAR, to be responsible for reviewing the behavior of contractors to determine whether that company is sufficiently responsible to continue doing business with the Government. That official is the agency debarring official. The agency debarring official is typically located at the agency's headquarters. This individual is typically a senior official of the agency familiar with a variety of issues that affect contractor responsibility and supported by a staff including the agency's general counsel. The debarring official is authorized to consider a company's responsibility at any time, whether the company is a current competitor for a Government contract or not. Should the debarring official determine that the company is not responsible, the debarring official may impose a debarment of the company. This debarment is effective with regard to all Federal agencies and many state and local governments as well who choose to use the debarment list as their own. The suspension and debarment rules contain well established and defined decision-making criteria and due process safeguards, which have evolved through case law precedent and agency practices.

When a question of a company's honesty and integrity is raised, reliance on the debarment and suspension remedies provides effective intervention. This remedy provides consistent application of a determination across the enterprise of Government and will assure that officials with both the training and expertise will consider and resolve these matters. There are some 50 causes upon which entities may be found ineligible to conduct business including business done under nonprocurement transactions under the Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) rules; otherwise known as the Common Rule for Suspension and Debarment.

5. Summary of Public Comments

Below is a summary of the issues raised in the public comments:

''The Government ought not do business with lawbreakers'' was a common thread in the sentiment expressing support for the December final rule. The FAR Council agrees with this statement. Only doing business with law abiding contractors provides a positive incentive for voluntary compliance with tax, environmental, labor, civil rights, and consumer laws, as well as criminal laws involving contracting and certain other kinds of business activities. The debarment regulations provide a highly effective remedy for appropriately excluding those who cannot or will not comply with the law, especially where there is a demonstrated lack of business integrity or honesty.

The December final rule flies in the face of long-standing policy of neutrality in labor-management disputes. Technically, the language in the December final rule does not require a change in the policy of impartiality in labor-management disputes. In practice, the December final rule could undermine the longstanding policy of neutrality in labor-management disputes.

The December final rule requires contracting officers to perform a function, which they lack the experience, procedures, and resources to perform. Contracting officers are not experts in tax laws, labor and employment laws, environmental laws, antitrust laws, and consumer protection laws. This lack of expertise would create a problem rather than solving a problem. Contracting officers are not the appropriate individuals to make decisions regarding satisfactory compliance with the law.

The requirement in the December final rule to consult with legal counsel before finding a prospective contractor nonresponsible does not resolve this issue. Legal counsel may not be an expert in the covered laws under review in the instant fact situation. An agency suspension and debarment authority has the requisite knowledges and skills combined with the required procedures and resources to use the information to support suspension and debarment decisions.

De facto debarment could occur under the December final rule. In some cases, repeated nonresponsibility findings based on the same facts, within the same agency, could be considered a de facto debarment. The suspension and debarment rules contain well established and defined decision-making criteria and due process safeguards, which have evolved through case law precedent and agency practices.

The December final rule's wording is unclear and provides insufficient guidance for contracting officers. There is no guidance to contracting officers to ensure consistent application. Contracting officers could make disparate nonresponsibility determinations. The hierarchy establishing the priority and weight to be given to various types of evidence does not resolve this issue.

Sufficient enforcement regulations already existed before the December final rule. The Government has sufficient regulations to address contractor responsibility. Among other things, debarment rules provide for existing and appropriate remedies with sufficient due process safeguard for addressing conduct adversely reflecting on business honesty and integrity. Also,

for example, under statutory schemes, determinations in the area of worker health and safety, failure to pay minimum wages, or violations of other worker protection laws lie within the purview of the Department of Labor. This approach ensures consistency Governmentwide.

The certification under the December final rule is burdensome. The certification is contrary to the intent of the Federal Acquisition Streamlining Act of 1994 and the Clinger-Cohen Act of 1996 because it imposes an unnecessary requirement with little or no offsetting commensurate benefit. Moreover, agencies lack the resources and expertise to effectively use the information received under the certification.

The December final rule undermines competition. Contactors may be unwilling to spend money to submit offers unless they can ascertain the basis by which responsibility determinations will be made with some degree of exactness and objectivity. As stated above, the December final rule's wording is unclear and provides insufficient guidance for contracting officers.

After reviewing the public comments in response to the proposed revocation of the December rule, it is clear that there is a conviction held by people at many levels and many walks of life that the Government should conduct its business with entities that adhere to the law. The FAR Council agrees that the Government should not do business with lawbreakers. The problem lies in the means to ensure that the entities with which the Government conducts business are good corporate citizens and adhere to the myriad of regulations and laws. The FAR Council has determined that the suspension and debarment process is the proper vehicle to accomplish this goal. The suspension and debarment rules contain well-established and defined decision-making criteria and due process safeguards, which have evolved through case law precedent and agency practices.

This rule is a significant rule and was 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 the rule will eliminate FAR revisions implemented under FAR case 1999–010 published in the **Federal Register** on December 20, 2000 (65 FR 80255), that did not have a significant economic impact on a substantial number of small entities.

C. Paperwork Reduction Act

The Paperwork Reduction Act (Pub. L. 104–13) applies because the FAR changes to Parts 9 and 52 decrease the information collection requirements that the Office of Management and Budget (OMB) approved under OMB Control Number 9000–0094. un

The FAR Council estimates that the annual reporting burden for OMB Control Number 9000–0094 applies to 89,995 respondents, of which approximately 50,000 would be affected by the modified certification requirement. The 39,995 subcontractors that respond to inquiries from the prime contractor regarding debarment, suspension, or proposed debarment are not affected by the modified certification requirements. The total estimated responses of 500,000 per year are not affected by the modified certification requirements.

The FAR Council estimates that the modified certification requirement would reduce the total burden by 505,000 hours, changing the total from 596,667 to 91,667. This is based on an estimate of 50,000 respondents and 500,000 responses per year. The FAR Council estimates that the modified certification would take an average of 1 hour less for each of the 50,000 initial responses and .3 hours less for each of the 450,000 subsequent responses that year, for a total of 185,000 hours less to respond to the modified certification requirements. The FAR Council further estimates that in many acquisitions, the contracting officer only would have requested additional information if the otherwise apparently successful offeror had certified affirmatively. However, the FAR Council estimates, in some source selections, the contracting officer would have requested such information from all offerors in the competitive range that certified affirmatively. Therefore, we estimate a reduced burden of 140,000 hours for providing additional information. This is based on a burden estimate of 4 hours per initial response and 1 hour per subsequent response, for a total of 140,000 hours for providing additional information. The FAR Council further estimates an additional reduction of 180,000 annual recordkeeping hours based on an estimated average of 6 hours per year for recordkeeping for each of the 30,000 respondents to respond to the request for additional information.

The revised annual reporting burden is estimated as follows:

Respondents: 89,995.
Responses Per Respondent: 12.22.
Total Annual Responses: 1,100,000.
Average Hours Per Response: .083.*
Total Burden Hours: 91,667 hours.

*Average hours per response is calculated by dividing total burden hours by total annual responses.

The Paperwork Reduction Act does not apply to FAR part 31 cost principles changes because the changes do not impose information collection requirements that require Office of Management and Budget approval under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 9, 14, 15, 31, and 52

Government procurement.

Dated: December 14, 2001.

Gloria M. Sochon,

Acting Director, Acquisition Policy Division.

Therefore, DoD, GSA, and NASA amend 48 CFR parts 9, 14, 15, 31, and 52 as stayed effective April 3, 2001, as set forth below:

1. The authority citation for 48 CFR parts 9, 14, 15, 31, 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 9—CONTRACTOR QUALIFICATIONS

9.103 [Amended]

2. Amend section 9.103 in paragraph (b) by removing the third sentence.

3. Amend section 9.104–1 by revising paragraph (d) to read as follows:

9.104–1 General standards.

(d) Have a satisfactory record of integrity and business ethics;

9.104–3 [Amended]

4. Amend section 9.104–3 by removing paragraph (c); and by redesignating paragraphs (d) and (e) as (c) and (d), respectively.

PART 14—SEALED BIDDING

5. Amend section 14.404–2 by revising paragraph (i) to read as follows:

14.404–2 Rejection of individual bids.

(i) Low bids received from concerns determined to be not responsible pursuant to subpart 9.1 shall be rejected (but if a bidder is a small business

concern, see 19.6 with respect to certificates of competency).
* * * * *

PART 15—CONTRACTING BY NEGOTIATION

6. Amend section 15.503 by revising paragraph (a)(1) to read as follows:

15.503 Notification to unsuccessful offerors.

(a) *Preaward notices*—(1) *Preaward notices of exclusion from competitive range.* The contracting officer shall notify offerors promptly in writing when their proposals are excluded from the competitive range or otherwise eliminated from the competition. The notice shall state the basis for the determination and that a proposal revision will not be considered.
* * * * *

PART 31—CONTRACT COST PRINCIPLES AND PROCEDURES

31.205–21 [Amended]

7. Amend section 31.205–21 by removing the paragraph designation ''(a)''; and by removing paragraph (b) in its entirety.

8. Amend section 31.205–47 in paragraph (a) by adding, in alphabetical order, the definition ''Fraud'' (which was removed in the December 20, 2000, final rule (65 FR 80255) and stayed effective April 3, 2001); and by revising paragraph (b)(2) to read as follows:

31.205–47 Costs related to legal and other proceedings.

(a) * * *

Fraud, as used in this subsection, means—

(1) Acts of fraud or corruption or attempts to defraud the Government or to corrupt its agents;

(2) Acts which constitute a cause for debarment or suspension under 9.406–2(a) and 9.407–2(a); and

(3) Acts which violate the False Claims Act, 31 U.S.C., sections 3729–3731, or the Anti-Kickback Act, 41 U.S.C., sections 51 and 54.
* * * * *

(b) * * *

(2) In a civil or administrative proceeding, either a finding of contractor liability where the proceeding involves an allegation of fraud or similar misconduct or imposition of a monetary penalty where the proceeding does not involve an allegation of fraud or similar misconduct;
* * * * *

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

52.209–5 [Amended]

9. In section 52.209–5—

a. Revise the date of the provision to read ''(DEC 2001)'';

b. In paragraph (a)(1)(i)(B), remove ''the three-year'' and add ''a three-year'' in its place; and add ''and'' at the end of the paragraph;

c. In paragraph (a)(1)(i)(C), at the end of the paragraph, remove ''; and'' and add a period in its place; and

d. Remove paragraph (a)(1)(ii), and redesignate paragraph (a)(1)(iii) as (a)(1)(ii).

10. Amend section 52.212–3 by revising the date of the provision and paragraph (h) to read as follows:

52.212–3 Offeror Representations and Certifications—Commercial Items.

OFFEROR REPRESENTATIONS AND CERTIFICATIONS—COMMERCIAL ITEMS (*Dec 2001*)

(h) *Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549*). The offeror certifies, to the best of its knowledge and belief, that—

(1) The offeror and/or any of its principals [ ] are, [ ] are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; and

(2) [ ] Have, [ ] have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offerors; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and [ ] are, [ ] are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.
(End of provision)

[FR Doc. 01–31302 Filed 12–26–01; 8:45 am]
BILLING CODE 6820–EP–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

Federal Acquisition Regulation; Small Entity Compliance Guide

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Small Entity Compliance Guide.

SUMMARY: This document is issued under the joint authority of the Secretary of Defense, the Administrator of General Services and the Administrator for the National Aeronautics and Space Administration. This *Small Entity Compliance Guide* has been prepared in accordance with section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121). It consists of a summary of rules appearing in Federal Acquisition Circular (FAC) 2001–03 which amend the FAR. An asterisk (*) next to a rule indicates that a regulatory flexibility analysis has been prepared in accordance with 5 U.S.C. 604. Interested parties may obtain further information regarding these rules by referring to FAC 2001–03 which precedes this document. These documents are also available via the Internet at *http://www.arnet.gov/far.*

FOR FURTHER INFORMATION CONTACT: Laurie Duarte, FAR Secretariat, (202) 501–4225. For clarification of content, contact the analyst whose name appears in the table below.

LIST OF RULES IN FAC 2001–03

Item	Subject	FAR case	Analyst
I	Contractor Responsiblity, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings.	1999–010 (stay)	De Stefano.
II	Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings—Revocation.	2001–014	De Stefano.