

**DEPARTMENT OF DEFENSE****Defense Acquisition Regulations System****48 CFR Parts 212, 222, and 252**

RIN 0750-AF11

**Defense Federal Acquisition Regulation Supplement; Combating Trafficking in Persons (DFARS Case 2004-D017)**

**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 prohibitions on contractor activities involving trafficking in persons. The DFARS text is no longer necessary, since policy on this subject has been added to the Federal Acquisition Regulation (FAR).

**DATES:** *Effective Date:* January 24, 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 2004-D017.

**SUPPLEMENTARY INFORMATION:****A. Background**

DoD published an interim rule at 71 FR 62560 on October 26, 2006, adding DFARS Subpart 222.17 and a corresponding contract clause at DFARS 252.222-7006, to implement DoD policy prohibiting DoD contractors from engaging in activities that support or promote trafficking in persons. The DFARS text is no longer necessary, as a result of the FAR rule published at 72 FR 46335 on August 17, 2007. The FAR rule addresses Governmentwide zero tolerance policy with regard to trafficking in persons, and includes a contract clause for use in all solicitations and contracts. Therefore, this final rule removes the DFARS text published on October 26, 2006, except for references to internal DoD procedures regarding the combating of trafficking in persons.

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 removes DFARS text that has become obsolete as a result of changes that have been made to the FAR.

**C. Paperwork Reduction Act**

This final rule eliminates the information collection requirements previously approved by the Office of Management and Budget under Control Number 0704-0440.

**List of Subjects in 48 CFR Parts 212, 222, and 252**

Government procurement.

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

■ Therefore, 48 CFR parts 212, 222, and 252 are amended as follows:

■ 1. The authority citation for 48 CFR parts 212, 222, and 252 continues to read as follows:

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

**PART 212—ACQUISITION OF COMMERCIAL ITEMS****212.301 [Amended]**

■ 2. Section 212.301 is amended as follows:

■ a. By removing paragraph (f)(x); and

■ b. By redesignating paragraphs (f)(xi) through (f)(xiii) as paragraphs (f)(x) through (f)(xii) respectively.

**PART 222—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS****222.1700 through 222.1702 [Removed]**

■ 3. Sections 222.1700 through 222.1702 are removed.

■ 4. Sections 222.1703 and 222.1704 are revised to read as follows:

**222.1703 Policy.**

See PGI 222.1703 for additional information regarding DoD policy for combating trafficking in persons outside the United States.

**222.1704 Violations and remedies.**

Follow the procedures at PGI 222.1704 for notifying the Combatant Commander if a violation occurs.

**222.1704-70 and 222.1705 [Removed]**

■ 5. Sections 222.1704-70 and 222.1705 are removed.

**PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES****252.222-7006 [Removed]**

■ 6. Section 252.222-7006 is removed.  
[FR Doc. E8-1120 Filed 1-23-08; 8:45 am]

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**DEPARTMENT OF DEFENSE****Defense Acquisition Regulations System****48 CFR Part 225**

RIN 0750-AF89

**Defense Federal Acquisition Regulation Supplement; Trade Agreements—New Thresholds (DFARS Case 2007-D023)**

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

**ACTION:** Interim rule with request for comments.

**SUMMARY:** DoD has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to incorporate increased dollar thresholds for application of the World Trade Organization Government Procurement Agreement and the Free Trade Agreements, as determined by the United States Trade Representative.

**DATES:** *Effective date:* January 24, 2008.

*Comment date:* Comments on the interim rule should be submitted in writing to the address shown below on or before March 24, 2008, to be considered in the formation of the final rule.

**ADDRESSES:** You may submit comments, identified by DFARS Case 2007-D023, using any of the following methods:

○ *Federal eRulemaking Portal:*  
<http://www.regulations.gov>. Follow the instructions for submitting comments.

○ *E-mail:* [dfars@osd.mil](mailto:dfars@osd.mil). Include DFARS Case 2007-D023 in the subject line of the message.

○ *Fax:* 703-602-7887.

○ *Mail:* Defense Acquisition Regulations System, Attn: Ms. Amy Williams, OUSD(AT&L)DPAP(DARS), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062.

○ *Hand Delivery/Courier:* Defense Acquisition Regulations System, Crystal Square 4, Suite 200A, 241 18th Street, Arlington, VA 22202-3402.

Comments received generally will be posted without change to <http://www.regulations.gov>, including any personal information provided.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amy Williams, 703-602-0328.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

This interim rule amends the clause prescriptions at DFARS 225.1101 and

225.7503 to reflect increased dollar thresholds for application of the trade agreements. Every two years, the trade agreements thresholds are escalated according to a pre-determined formula set forth in the agreements. The United

States Trade Representative has specified the following new thresholds, as published at 72 FR 71166 on December 14, 2007, and corrected at 72 FR 73904 on December 28, 2007:

Trade agreement	Supply contract (equal to or exceeding)	Construction contract (equal to or exceeding)
World Trade Organization Government Procurement Agreement .....	\$194,000	\$7,443,000
Free Trade Agreements:		
Australia Free Trade Agreement .....	67,826	7,443,000
Bahrain Free Trade Agreement .....	194,000	8,817,449
Dominican Republic-Central America-United States Free Trade Agreement (El Salvador, Dominican Republic, Guatemala, Honduras, and Nicaragua) .....	67,826	7,443,000
Chile Free Trade Agreement .....	67,826	7,443,000
Morocco Free Trade Agreement .....	194,000	7,443,000
North American Free Trade Agreement:		
Canada .....	\$25,000	8,817,449
Mexico .....	67,826	8,817,449
Singapore Free Trade Agreement .....	67,826	7,443,000

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 does not expect this rule 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 trade agreement threshold changes are designed to keep pace with inflation and thus maintain the status quo. Therefore, DoD has not performed an initial regulatory flexibility analysis. DoD invites comments from small businesses and other interested parties. DoD also will consider comments from small entities concerning the affected DFARS subparts in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 2007-D023.

**C. Paperwork Reduction Act**

This rule affects the certification and information collection requirements in the provisions at DFARS 252.225-7020 and 252.225-7035, currently approved under Office of Management and Budget Control Number 0704-0229. The impact, however, is negligible. The dollar threshold changes are in line with inflation and maintain the status quo.

**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 an interim rule prior to affording the public an opportunity to comment. This interim

rule incorporates increased dollar thresholds for application of the World Trade Organization Government Procurement Agreement and the Free Trade Agreements, as determined by the United States Trade Representative. The increased thresholds became effective on January 1, 2008. Comments received in response to this interim rule will be considered in the formation of the final rule.

**List of Subjects in 48 CFR Part 225**

Government procurement.

**Michele P. Peterson,**

*Editor, Defense Acquisition Regulations System.*

■ Therefore, 48 CFR part 225 is amended as follows:

**PART 225—FOREIGN ACQUISITION**

■ 1. The authority citation for 48 CFR part 225 continues to read as follows:

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

**225.1101 [Amended]**

■ 2. Section 225.1101 is amended as follows:

- a. In paragraph (10)(i) introductory text by removing “\$193,000” and adding in its place “\$194,000”; and
- b. In paragraphs (10)(i)(A) and (B) by removing “\$64,786” and adding in its place “\$67,826”.

■ 3. Section 225.7503 is amended as follows:

- a. In paragraph (a) by removing “\$7,407,000” and adding in its place “\$7,443,000”; and
- b. By revising paragraph (b) to read as follows:

**225.7503 Contract clauses.**

\* \* \* \* \*

(b) Use the clause at 252.225-7045, Balance of Payments Program—Construction Material Under Trade Agreements, in solicitations and contracts for construction to be performed outside the United States with a value of \$7,443,000 or more. For acquisitions with a value of \$7,443,000 or more, but less than \$8,817,449, use the clause with its Alternate I.

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**DEPARTMENT OF DEFENSE**

**Defense Acquisition Regulations System**

**48 CFR Parts 232 and 252**

**RIN 0750-AF76**

**Defense Federal Acquisition Regulation Supplement; Payment Withholding—Deletion of Duplicative Text (DFARS Case 2007-D010)**

**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 withholding of payments under time-and-materials and labor-hour contracts. The DFARS text is no longer necessary, since similar policy has been added to the Federal Acquisition Regulation (FAR).