We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

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[FR Doc. 2020–25833 Filed 11–19–20; 8:45 am]  
BILLING CODE 7710–12–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Parts 204, 209, and 252

[Docket DARS–2020–0030]

RIN 0750–AK89

Defense Federal Acquisition Regulation Supplement: Repeal of DFARS Provision and Clause on Reserve Officer Training Corps and Military Recruiting on Campus (DFARS Case 2020–D002)

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

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to remove a provision and a clause that are no longer necessary.


FOR FURTHER INFORMATION CONTACT: Ms. Carrie Moore, telephone 571–372–6093.

SUPPLEMENTARY INFORMATION:

I. Background

DFARS provision 252.209–7003, Reserve Officer Training Corps and Military Recruiting on Campus–Representation, and DFARS clause 252.209–7005, Reserve Officer Training Corps and Military Recruiting on Campus, are included in all solicitations and contracts with institutions of higher education. The provision and clause implement 10 U.S.C. 983, which prohibits funds from being provided via a contract to institutions of higher education that prohibit or prevent: (1) The maintenance, establishment, or operation of a Senior Reserve Officer Training Corps (ROTC) unit at the institution, or (2) a student at that institution from enrolling in a unit of the Senior ROTC at another institution of higher education; and/or (3) the Secretary of a military department or Secretary of Homeland Security from gaining access to campuses, or students on campuses, for military recruiting purposes, or (4) access by military recruiters, for the purposes of military recruiting, to certain information pertaining to students enrolled at the institution.

The provision advises offerors that, by submitting an offer, they represent that the institution does not have any prohibitive policies or practices subject to the statute. The clause requires contractors, during performance of the contract, to not have any policies or practices subject to the prohibition at 10 U.S.C. 983, and identifies the actions available to the Government as a result of a contractor’s misrepresentation or noncompliance with the clause. 10 U.S.C. 983(d)(1) states that the prohibition applies to any funds made available for: DoD; the Department of Homeland Security; the National Nuclear Security Administration of the Department of Energy; the Department of Transportation; the Central Intelligence Agency; and any department or agency for which regular appropriations are made in a Department of Labor, Health and Human Services, and Related Agencies Appropriations Act. As the legislation applies to several Federal agencies, a FAR clause has been implemented to create a single standard for all agencies that are subject to the statute. A final rule (85 FR 67619) issued under FAR case 2018–021 amended the FAR to implement the requirements of 10 U.S.C. 983 for all affected Federal agencies. As such, DFARS provision 252.209–7003 and clause 252.209–7005 are duplicative and no longer necessary, and can be removed from the DFARS.

The removal of this DFARS text supports a recommendation from the DoD Regulatory Reform Task Force. On February 24, 2017, the President signed Executive Order (E.O.) 13777, “Enforcing the Regulatory Reform Agenda,” which established a Federal policy “to alleviate unnecessary regulatory burdens” on the American people. In accordance with E.O. 13777, DoD established a Regulatory Reform Task Force to review and validate DoD regulations, including the DFARS. A public notice of the establishment of the DFARS Subgroup to the DoD Regulatory Reform Task Force, for the purpose of reviewing DFARS provisions and clauses, was published in the Federal Register at 82 FR 35741 on August 1, 2017, and requested public input. Public comment was received on the provision. The respondents advised that the provision only applies to institutions of higher education, yet it appears in the System for Award Management (SAM) as a provision all contractors must complete in order to register as a vendor in SAM. As a result of this final rule, DFARS provision 252.209–7003 will be removed from SAM.

The DoD Task Force reviewed the requirements of DFARS provision 252.209–7003 and DFARS clause 252.209–7005, and determined that the DFARS coverage would not be necessary, and recommended removal, contingent upon a similar clause being implemented in the FAR that is available for use by all Federal agencies, when applicable.

II. Applicability to Contracts at or Below the Simplified Acquisition Threshold and for Commercial Items, Including Commercially Available Off-the-Shelf Items

This rule only removes obsolete DFARS provision 252.209–7003, Reserve Officer Training Corps and Military Recruiting on Campus–Representation, and DFARS clause 252.209–7005, Reserve Officer Training Corps and Military Recruiting on Campus. The rule does not impose any new requirements on contracts at or below the simplified acquisition threshold and for commercial items, including commercially available off-the-shelf items.

III. Publication of This Final Rule for Public Comment Is Not Required by Statute

The statute that applies to the publication of the FAR is the Office of Federal Procurement Policy statute (codified at title 41 of the United States Code). Specifically, 41 U.S.C. 1707(a)(1) requires that a procurement policy, regulation, procedure or form (including an amendment or modification thereof) must be published for public comment if it relates to the expenditure of appropriated funds, and has either a significant effect beyond the internal operating procedures of the agency issuing the policy, regulation, procedure, or form, or has a significant cost or administrative impact on contractors or offerors. This final rule is not required to be published for public comment, because DoD is not issuing a new regulation; rather, this rule is merely removing an obsolete provision and clause from the DFARS.

IV. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and
DFARS clause 252.229–7015, Taxes–Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement), is included in solicitations and contracts that are performed in Afghanistan and awarded on behalf of the North Atlantic Treaty Organization (NATO). DFARS clause 252.229–7014 implements terms of the Security and Defense Cooperation Agreement between the United States and the Islamic Republic of Afghanistan (September 2014). The Agreement applies to all persons or legal entities supplying goods and services in Afghanistan to or on behalf of U.S. Forces under a contract with or in support of U.S. Forces. The clause advises contractors that the contract is subject to the Agreement and exempt from taxes or similar charges assessed in Afghanistan; requires contractors to exclude any Afghan taxes, customs, duties, fees, or similar charges from the contract price; and explains the applicability of taxes to Afghan citizens employed by DoD or DoD contractors performing under the contract.

DFARS clause 252.229–7015 implements terms of the Status of Forces Agreement (SOFA) between NATO and the Islamic Republic of Afghanistan (September 2014). The SOFA applies to all persons or legal entities supplying goods and services in Afghanistan to or on behalf of NATO forces under a contract with or in support of NATO, NATO member states, or operational partners. The clause advises contractors that the contract is subject to the SOFA and exempt from taxes or similar charges assessed in Afghanistan; requires contractors to exclude any Afghan taxes, customs, duties, fees, or similar charges from the contract price; and explains the applicability of taxes to Afghan citizens employed by NATO performing under the contract.

Since several Federal agencies award contracts that are subject to the terms of the Agreement or SOFA, a final rule issued under FAR case 2018–023 (85 FR 67623) implemented two new clauses in the FAR that notify applicable contractors of the same information included in DFARS clauses 252.229–7014 and 252.229–7015. As the text of the DFARS clauses have been implemented in the FAR, the DFARS clauses are no longer necessary and can be removed from the DFARS.

The removal of the DFARS clauses supports a recommendation from the DoD Regulatory Reform Task Force. On February 24, 2017, the President signed Executive Order (E.O.) 13777, “Enforcing the Regulatory Reform