

5. Revise section 517.207 to read as follows:

**517.207 Exercise of options.**

In addition to the requirements of FAR 17.207, the contracting officer must also—

(a) Determine that the contractor's performance under the contract met or exceeded the Government's expectation for quality performance, unless another circumstance justifies an extended contractual relationship; and

(b) Determine that the option price is fair and reasonable.

**517.208 [Amended]**

5. Amend section 517.208 by removing from the introductory text the word "FSS's" and adding the word "FAS's" in its place.

[FR Doc. E8-12613 Filed 6-5-08; 8:45 am]

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**GENERAL SERVICES ADMINISTRATION**

**48 CFR Parts 537 and 552**

[GSAR Case 2008-G510; Docket 2008-0007; Sequence 4]

RIN 3090-AI54

**General Services Acquisition Regulation; GSAR Case 2008-G510; Rewrite of GSAR Part 537, Service Contracting**

**AGENCY:** Office of the Chief Acquisition Officer, General Services Administration (GSA).

**ACTION:** Proposed rule.

**SUMMARY:** The General Services Administration (GSA) is proposing to amend the General Services Acquisition Regulation (GSAR) to revise sections of the GSAR that pertains to requirements for service contracting.

**DATES:** Interested parties should submit written comments to the Regulatory Secretariat on or before August 5, 2008 to be considered in the formulation of a final rule.

**ADDRESSES:** Submit comments identified by GSAR Case 2008-G510 by any of the following methods:

- Regulations.gov: <http://www.regulations.gov>. Submit comments via the Federal eRulemaking portal by inputting "GSAR Case 2008-G510" under the heading "Comment or Submission". Select the link "Send a Comment or Submission" that corresponds with GSAR Case 2008-G510. Follow the instructions provided to complete the "Public Comment and Submission Form". Please include your

name, company name (if any), and "GSAR Case 2008-G510" on your attached document.

- Fax: 202-501-4067.
- Mail: General Services

Administration, Regulatory Secretariat (VPR), 1800 F Street, NW, Room 4041, ATTN: Laurieann Duarte, Washington, DC 20405.

*Instructions:* Please submit comments only and cite GSAR Case 2008-G510 in all correspondence related to this case. All comments received will be posted without change to <http://www.regulations.gov>, including any personal and/or business confidential information provided.

**FOR FURTHER INFORMATION CONTACT** For clarification of content, contact Mr. Michael O. Jackson at (202) 208-4949. For information pertaining to the status or publication schedules, contact the Regulatory Secretariat (VPR), Room 4041, GS Building, Washington, DC 20405, (202) 501-4755. Please cite GSAR Case 2008-G510.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

The General Services Administration (GSA) is amending the General Services Administration Acquisition Regulation (GSAR) to revise sections of GSAR Part 537 that provide requirements for service contracting.

This rule is a result of the General Services Administration Acquisition Manual (GSAM) rewrite initiative undertaken by GSA to revise the GSAM to maintain consistency with the FAR and to implement streamlined and innovative acquisition procedures that contractors, offerors, and GSA contracting personnel can utilize when entering into and administering contractual relationships. The GSAM incorporates the General Services Administration Acquisition Regulation (GSAR) as well as internal agency acquisition policy.

GSA will rewrite each part of the GSAR and GSAM, and as each GSAR part is rewritten, will publish it in the **Federal Register**.

This rule covers the rewrite of GSAR Part 537. The rule revises 537 to address the text at GSAR 537.101, Definitions; 537.110 Solicitation provisions and contract clauses; provision 552.237-70, Qualifications of Offerors; and clause 552.237-73, Restriction on Disclosure of Information. The language in 537.101, Definitions, is removed from inclusion in the GSAR. This language clarifies the definition for "contracts for building services" for contracting officers, therefore this language is being incorporated as non-regulatory GSAM

language. GSAR clauses 552.237-71, Qualifications of Employees and 552.237-72, Prohibition Regarding "Quasi-Military Armed Forces" are retained with no changes.

**Discussion of Comments**

There were no public comments received in response to the Advanced Notice of Proposed Rulemaking.

This is not a significant regulatory action and, therefore, was not subject to 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 General Services Administration does not expect this proposed 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 revisions are not considered substantive. The revisions only update and reorganize existing coverage. An Initial Regulatory Flexibility Analysis has, therefore, not been performed. We invite comments from small businesses and other interested parties. GSA will consider comments from small entities concerning the affected GSAR Parts 537 and 552 in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 601, *et seq.* (GSAR case 2008-G510), in all correspondence.

**C. Paperwork Reduction Act**

The Paperwork Reduction Act does apply; however, these changes to the GSAR do not impose additional information collection requirements to the paperwork burden previously approved under OMB Control Number 3090-0027.

**List of Subjects in 48 CFR Parts 537 and 552**

Government procurement.

Dated: May 30, 2008.

**Al Matera,**

*Director, Office of Acquisition Policy.*

Therefore, GSA proposes to amend 48 CFR parts 537 and 552 as set forth below:

1. The authority citation for 48 CFR parts 537 and 552 continues to read as follows:

**Authority:** 40 U.S.C. 121(c).

**PART 537—SERVICE CONTRACTING**

**537.101 [Removed]**

2. Remove section 537.101.

**537.110 [Amended]**

3. Amend section 537.110 by removing from paragraph (a) "initiated" and adding "initiated with Ability One" in its place.

**PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES****552.237-70 [Amended]**

4. Amend section 552.237-70 by revising the date of the provision to read "(Date)"; and removing from paragraph (a) "In order to" and adding "To" in its place.

**552.237-73 [Amended]**

5. Amend 552.237-73 by revising the date of the clause to read "(Date)"; and removing from paragraph (b) "individual" and adding "entity" in its place.

[FR Doc. E8-12571 Filed 6-5-08; 8:45 am]

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**GENERAL SERVICES ADMINISTRATION****48 CFR Parts 547 and 552**

[GSAR Case 2006-G518; Docket 2008-0007; Sequence 6]

RIN 3090-A152

**General Services Acquisition Regulation; GSAR Case 2006-G518; Rewrite of GSAR Part 547, Transportation**

**AGENCY:** Office of the Chief Acquisition Officer, General Services Administration (GSA).

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

**SUMMARY:** The General Services Administration (GSA) is proposing to amend the General Services Acquisition Regulation (GSAR) to revise GSAR language that provides requirements for transportation. This rule is a result of the General Services Administration Acquisition Manual (GSAM) Rewrite initiative undertaken by GSA to revise the GSAM to maintain consistency with the FAR, and to implement streamlined and innovative acquisition procedures that contractors, offerors and GSA contracting personnel can use when entering into and administering contractual relationships. The GSAM incorporates the General Services Administration Acquisition Regulation (GSAR) as well as internal agency acquisition policy. GSA will rewrite each part of the GSAR and GSAM, and as each GSAR part is rewritten, will publish it in the **Federal Register**.

This is one of the series of revisions to 48 CFR Chapter 5. It covers the rewrite of GSAR Part 547, Transportation.

**DATES:** Interested parties should submit written comments to the Regulatory Secretariat on or before August 5, 2008 to be considered in the formulation of a final rule.

**ADDRESSES:** Submit comments identified by GSAR Case 2006-G518 by any of the following methods:

- Regulations.gov: <http://www.regulations.gov>.

Submit comments via the Federal eRulemaking portal by inputting "GSAR Case 2006-G518" under the heading "Comment or Submission". Select the link "Send a Comment or Submission" that corresponds with GSAR Case 2006-G518. Follow the instructions provided to complete the "Public Comment and Submission Form". Please include your name, company name (if any), and "GSAR Case 2006-G518" on your attached document.

- Fax: 202-501-4067.

- Mail: General Services

Administration, Regulatory Secretariat (VPR), 1800 F Street, NW., Room 4041, ATTN: Laurieann Duarte, Washington, DC 20405.

**Instructions:** Please submit comments only and cite GSAR Case 2006-G518 in all correspondence related to this case. All comments received will be posted without change to <http://www.regulations.gov>, including any personal and/or business confidential information provided.

**FOR FURTHER INFORMATION CONTACT:** For clarification of content, contact Jeritta Parnell at (202) 501-4082, or by e-mail at [jeritta.parnell@gsa.gov](mailto:jeritta.parnell@gsa.gov). For information pertaining to the status or publication schedules, contact the Regulatory Secretariat (VPR), Room 4041, GS Building, Washington, DC 20405, (202) 501-4755. Please cite GSAR Case 2006-G518.

**SUPPLEMENTARY INFORMATION:****A. Background****The GSAR Rewrite Project**

On February 15, 2006, GSA published an Advance Notice of Proposed Rulemaking (ANPR) with request for comments because GSA is beginning the review and update of the General Services Administration Acquisition Regulation (GSAR).

The GSAR rewrite will—

- Consider comments received from the ANPR, published in the **Federal Register** at 71 FR 7910, February 15, 2006.
- Change "you" to "contracting officer."

- Maintain consistency with the FAR but eliminate duplication.

- Revise GSAR sections that are out of date, or impose inappropriate burdens on the Government or contractors, especially small businesses.

- Streamline and simplify by incorporation of all GSA acquisition policies, *i.e.*, acquisition letters, alerts, and FAS manual information.

In addition, GSA has recently reorganized into two, rather than three services. Therefore, the reorganization of the Federal Supply Service (FSS) and the Federal Technology Service (FTS) into the Federal Acquisition Service (FAS) will be considered in the rewrite initiative.

**The Rewrite of Part 547**

This proposed rule contains the revisions made to Part 547, Transportation. The information contained in the five sections; 547.300, 547.303, 547.304, 547.305, and 547.370 is proposed for deletion from Part 547. In addition, clauses 552.247-70, Placarding Railcar Shipments, and 552.247-71, Diversion of Shipment Under f.o.b. Destination Contracts, are proposed for deletion from 552.547. This information is deemed specific to the FAS organization and its special order program and stock program. This information is not used in the Multiple Award Schedule Program. The coverage and the clauses were evaluated and deemed not necessary for inclusion into the GSAR. The FAR coverage in 47.103, 47.3, and 52.243-1 (48 CFR Chapter 1) is sufficient and does not need to be supplemented by further information in the GSAR.

**Discussion of Comments**

As a result of the ANPR, GSA received one comment pertaining to GSAR Part 547.

One commenter suggested making the GSAR consistent with the FAR and to eliminate inconsistencies and redundancies between the FAR and GSAR. The commenter further provided an example of a FAR deviation used under a Federal Supply Schedule 70, stating "that GSA should consider whether the various delivery and packaging requirements can be simplified and require delivery and packaging that comports with the contractor's standard commercial practices." GSA partially agrees with the commenter and has initiated this rewrite of the GSAM/GSAR to correct or clarify such inconsistencies. However, GSA believes that in this instance cited by the commenter, that the risk of loss or damage to supplies shall remain with the contractor until the Government takes possession of the supplies, as