

**DEPARTMENT OF DEFENSE**

**GENERAL SERVICES ADMINISTRATION**

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**48 CFR Chapter 1**

**Federal Acquisition Circular 2005–08; Introduction**

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

**ACTION:** Summary presentation of interim rule.

**SUMMARY:** This document summarizes the Federal Acquisition Regulation (FAR) rule agreed to by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council in this Federal Acquisition Circular (FAC) 2005–08. A companion document, the Small Entity Compliance Guide (SECG), follows this FAC. The FAC, including the SECG, is available via the Internet at <http://www.acqnet.gov/far>.

**DATES:** For effective date and comment date, see separate document which follows.

**FOR FURTHER INFORMATION CONTACT:** For clarification of content, contact the analyst whose name appears in the table below in relation to the FAR case. Please cite FAC 2005–08, FAR case 2005–030. Interested parties may also visit our Web site at <http://www.acqnet.gov/far>. For information pertaining to status or publication schedules, contact the FAR Secretariat at (202) 501–4755.

Item	Subject	FAR case	FAR Analyst
I .....	Trade Agreements—Thresholds (Interim) .....	2005–030	Marshall.

**SUPPLEMENTARY INFORMATION:** A summary for the FAR rule follows. For the actual revisions and/or amendments to this FAR case, refer to the specific item number and subject set forth in the document following this item summary.

FAC 2005–08 amends the FAR as specified below:

**Item I—Trade Agreements—Thresholds (Interim)(FAR Case 2005–030)**

This interim rule changes the thresholds for application of the World Trade Organization Government Procurement Agreement and the other Free Trade Agreements with Canada, Mexico, Chile, Singapore, and Australia. These threshold increases occur every two years in order to keep pace with inflation. The United States Trade Representative published the thresholds in the December 12, 2005, **Federal Register** (70 FR 73510 to 73511).

Dated: December 28, 2005.

**Gerald Zaffos,**

*Director, Contract Policy Division.*

**Federal Acquisition Circular**

Federal Acquisition Circular (FAC) 2005–08 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator for the National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained in FAC 2005–08 is effective January 5, 2006.

Dated: December 23, 2005.

**Domenic C. Cipicchio,**

*Acting Director, Defense Procurement and Acquisition Policy.*

Dated: December 23, 2005.

**Roger Waldron,**

*Acting Senior Procurement Executive, Office of the Chief Acquisition Officer, General Services Administration.*

Dated: December 28, 2005.

**Anne Guenther,**

*Acting Assistant Administrator for Procurement, National Aeronautics and Space Administration.*

[FR Doc. 06–53 Filed 1–4–06; 8:45 am]

**BILLING CODE 6820–EP–S**

**DEPARTMENT OF DEFENSE**

**GENERAL SERVICES ADMINISTRATION**

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**48 CFR Parts 22, 25, and 52**

**[FAC 2005–08; FAR Case 2005–030]**

**RIN 9000–AK40**

**Federal Acquisition Regulation; Trade Agreements—Thresholds**

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

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

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) have agreed on an interim rule amending the Federal Acquisition

Regulation (FAR) to implement the increased thresholds for the World Trade Organization Government Procurement Agreement and Free Trade Agreements.

**DATES:** *Effective Date:* January 5, 2006.

*Comment Date:* Interested parties should submit written comments to the FAR Secretariat on or before March 6, 2006 to be considered in the formulation of a final rule.

**ADDRESSES:** Submit comments identified by FAC 2005–08, FAR case 2005–030, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Agency Web Site: <http://www.acqnet.gov/far/ProposedRules/proposed.htm>. Click on the FAR case number to submit comments.
- E-mail: [farcase.2005-030@gsa.gov](mailto:farcase.2005-030@gsa.gov). Include FAC 2005–08, FAR case 2005–030 in the subject line of the message.
- Fax: 202–501–4067.
- Mail: General Services Administration, Regulatory Secretariat (VIR), 1800 F Street, NW, Room 4035, ATTN: Laurieann Duarte, Washington, DC 20405.

*Instructions:* Please submit comments only and cite FAC 2005–08, FAR case 2005–030, in all correspondence related to this case. All comments received will be posted without change to <http://www.acqnet.gov/far/ProposedRules/proposed.htm>, including any personal and/or business confidential information provided.

**FOR FURTHER INFORMATION CONTACT:** For clarification of content, contact Ms. Kimberly Marshall, Procurement Analyst, at (202) 219–0986. Please cite FAC 2005–08, FAR case 2005–030. For

information pertaining to status or publication schedules, contact the FAR Secretariat at (202) 501-4755.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

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 published the new thresholds in the December 12, 2005, **Federal Register** (70 FR 73510 to 73511) and has specified the following new thresholds:

Trade Agreement	Supply Contract (equal to or exceeding)	Service Contract (equal to or exceeding)	Construction Contract (equal to or exceeding)
WTO GPA .....	\$193,000	\$193,000	\$7,407,000
FTAs			
NAFTA			
-Canada .....	25,000	64,786	8,422,165
-Mexico .....	64,786	64,786	8,422,165
Chile FTA .....	64,786	64,786	7,407,000
Singapore FTA .....	64,786	64,786	7,407,000
Australia FTA .....	64,786	64,786	7,407,000

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**

This interim rule is not expected 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.* The threshold changes are in line with inflation and only maintain the status quo. Therefore, an Initial Regulatory Flexibility Analysis has not been performed. We invite comments from small business concerns and other interested parties on this issue. The Councils will also consider comments from small entities concerning the affected FAR Parts 22, 25, and 52 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.* (FAC 2005-08, FAR case 2005-030), in correspondence.

**C. Paperwork Reduction Act**

The Paperwork Reduction Act does apply; however, the changes to the FAR do not impose additional information collection requirements to the paperwork burden previously approved

under OMB Control Numbers 9000-0025, 9000-0130, 9000-0141, and 9000-0155.

**D. Determination to Issue an Interim Rule**

A determination has been made under the authority of the Secretary of Defense (DoD), the Administrator of General Services (GSA), and the Administrator of the National Aeronautics and Space Administration (NASA) that urgent and compelling reasons exist to promulgate this interim rule without prior opportunity for public comment. The United States Trade Representative published the thresholds in the December 12, 2005, **Federal Register** (70 FR 73510 to 73511). This action is necessary because these threshold changes go into effect January 1, 2006. However, pursuant to Public Law 98-577 and FAR 1.501, the Councils will consider public comments received in response to this interim rule in the formation of the final rule.

**List of Subjects in 48 CFR Parts 22, 25, and 52**

Government procurement.

Dated: December 28, 2005.

**Gerald Zaffos,**

*Director, Contract Policy Division.*

■ Therefore, DoD, GSA, and NASA amend 48 CFR parts 22, 25, and 52 as set forth below:

■ 1. The authority citation for 48 CFR parts 22, 25, and 52 continues to read as follows:

**Authority:** 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

**PART 22—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS**

**22.1503 [Amended]**

■ 2. Amend section 22.1503 by removing from paragraph (b)(3) “\$58,550” and adding “\$64,786” in its place; and removing from paragraph (b)(4) “\$175,000” and adding “\$193,000” in its place.

**PART 25—FOREIGN ACQUISITION**

**25.202 [Amended]**

■ 3. Amend section 25.202 by removing from paragraph (c) “\$6,725,000” and adding “\$7,407,000” in its place.

■ 4. Amend section 25.402 by revising the table following paragraph (b) to read as follows:

**25.402 General.**

\* \* \* \* \*

(b) \* \* \*

Trade Agreement	Supply Contract (equal to or exceeding)	Service Contract (equal to or exceeding)	Construction Contract (equal to or exceeding)
WTO GPA .....	\$193,000	\$193,000	\$7,407,000
FTAs			
NAFTA			
-Canada .....	25,000	64,786	8,422,165
-Mexico .....	64,786	64,786	8,422,165

Trade Agreement	Supply Contract (equal to or ex- ceeding)	Service Contract (equal to or ex- ceeding)	Construction Contract (equal to or exceeding)
Chile FTA .....	64,786	64,786	7,407,000
Singapore FTA .....	64,786	64,786	7,407,000
Australia FTA .....	64,786	64,786	7,407,000
Israeli Trade Act .....	50,000	.....	.....

**25.601 [Amended]**

■ 5. Amend section 25.601 by removing from paragraph (a)(1) “\$175,000” and adding “\$193,000” in its place; removing from paragraph (a)(2) “\$6,725,000” and adding “\$7,407,000” in its place; and removing from paragraph (a)(3)(ii) “\$175,000” and adding “\$193,000” in its place.

**25.1101 [Amended]**

■ 6. Amend section 25.1101 by—  
 ■ a. Removing from paragraph (b)(1)(i)(A) “\$175,000” and adding “\$193,000” in its place; removing from paragraph (b)(1)(iii) “\$58,550” and adding “\$64,786” in its place; and removing from paragraph (b)(2)(iii) “\$58,550” and adding “\$64,786” in its place;  
 ■ b. Removing from paragraph (c)(1) “\$175,000” and adding “\$193,000” in its place; and  
 ■ c. Removing from paragraph (d) “\$175,000” and adding “\$193,000” in its place.

**25.1102 [Amended]**

■ 7. Amend section 25.1102 by—  
 ■ a. Removing from the introductory text of paragraph (a) “\$6,725,000” and adding “\$7,407,000” in its place;  
 ■ b. Removing from the introductory text of paragraph (c) “\$6,725,000” and adding “\$7,407,000” in its place; and removing from paragraph (c)(3) “\$6,725,000” and “\$7,611,532” and adding “\$7,407,000” and “\$8,422,165”, respectively, in their place; and  
 ■ c. Removing from paragraph (d)(3) “\$6,725,000” and “\$7,611,532” and adding “\$7,407,000” and “\$8,422,165”, respectively, in their place.

**25.1103 [Amended]**

■ 8. Amend section 25.1103 by removing from paragraphs (c)(1)(i) and

(c)(1)(ii)(B) “\$175,000” and adding “\$193,000” in their place.

**PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

**52.212–5 [Amended]**

■ 9. Amend section 52.212–5 by revising the date of the clause to read “(JAN 2006)” and removing from paragraph (b)(15) of the clause “(Jun 2004)” and adding “(Jan 2006)” in its place.

**52.213–4 [Amended]**

■ 10. Amend section 52.213–4 by revising the date of the clause to read “(Jan 2006)” and removing from paragraph (b)(1)(i) of the clause “(Jun 2004)” and adding “(Jan 2006)” in its place.

**52.222–19 [Amended]**

■ 11. Amend section 52.222–19 by revising the date of the clause to read “(JAN 2006)”; removing from paragraph (a)(3) of the clause “\$58,550” and adding “\$64,786” in its place; and removing from paragraph (a)(4) of the clause “\$175,000” and adding “\$193,000” in its place.

[FR Doc. 06–54 Filed 1–4–06; 8:45 am]

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**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. It consists of a summary of rule appearing in Federal Acquisition Circular (FAC) 2005–08 which amends the FAR. An asterisk (\*) next to a rule indicates that a regulatory flexibility analysis has been prepared. Interested parties may obtain further information regarding this rule by referring to FAC 2005–08 which precedes this document. These documents are also available via the Internet at <http://www.acqnet.gov/far>.

**FOR FURTHER INFORMATION CONTACT:** Laurieann 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 2005–08**

Item	Subject	FAR case	FAR Analyst
I .....	Trade Agreements—Thresholds (Interim) .....	2005–030	Marshall.