

and National Aeronautics and Space Administration (NASA).

**ACTION:** Final rule.

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) have agreed to adopt as final without change, the interim rule amending the Federal Acquisition Regulation (FAR) to clarify that prime contractors must confirm that a subcontractor representing itself as a Historically Underutilized Business Zone (HUBZone) small business concern is certified, consistent with the requirements of 15 U.S.C. 632 *et seq.*, as amended.

**DATES:** *Effective Date:* April 19, 2006.

**FOR FURTHER INFORMATION CONTACT:** For clarification of content, contact Ms. Rhonda Cundiff, Procurement Analyst, at (202) 501-0044. Please cite FAC 2005-09, FAR case 2005-009. For information pertaining to status or publication schedules, contact the FAR Secretariat at (202) 501-4755.

**SUPPLEMENTARY INFORMATION:**

#### A. Background

DoD, GSA, and NASA published an interim rule in the **Federal Register** at 70 FR 43581, July 27, 2005, with request for comments. No public comments were received on the interim rule. The Councils agreed to convert the interim rule to a final rule without change.

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 changes may 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 this final rule will have a positive effect on small businesses who are certified HUBZone small business concerns and are losing subcontracting opportunities taken by another company falsely claiming to be a certified HUBZone small business concern.

The FAR Secretariat has submitted a copy of the Final Regulatory Flexibility Analysis to the Chief Counsel for Advocacy of the Small Business Administration. The analysis is summarized as follows:

#### Final Regulatory Flexibility Analysis

A Department of Defense Inspector General report D-2003-019 "DoD Contractor Subcontracting With Historically

Underutilized Business Zones (HUBZones) Small Businesses" found that prime contractors were overstating their HUBZone accomplishments because subcontractor's representations were not being verified. This final rule revises the Federal Acquisition Regulation to require a prime contractor to verify that its HUBZone subcontractors are certified as required by 15 U.S.C. 632 *et seq.*, as amended.

Interested parties may obtain a copy from the FAR Secretariat.

#### 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 19 and 52

Government procurement.

Dated: April 12, 2006.

**Gerald Zaffos,**

*Director, Contract Policy Division.*

#### Interim Rule Adopted as Final Without Change

■ Accordingly, the interim rule amending 48 CFR parts 19 and 52, which was published at 70 FR 43581, July 27, 2005, is adopted as a final rule without change.

[FR Doc. 06-3682 Filed 4-18-06; 8:45 am]

**BILLING CODE 6820-EP-S**

## DEPARTMENT OF DEFENSE

### GENERAL SERVICES ADMINISTRATION

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

#### 48 CFR Parts 19 and 52

[FAC 2005-09; FAR Case 2005-002; Item VI; Docket FAR-2006-0020]

RIN 9000-AK28

#### Federal Acquisition Regulation; FAR Case 2005-002; Expiration of the Price Evaluation Adjustment

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

**ACTION:** Final rule.

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) have agreed to adopt as final, without change, the interim rule published in the **Federal Register** at 70

FR 57462, September 30, 2005, to cancel for civilian agencies (except NASA and Coast Guard) the Small Disadvantaged Business (SDB) price evaluation adjustment which was originally authorized under the Federal Acquisition Streamlining Act of 1994. Civilian agencies (except NASA and Coast Guard) are not authorized to apply the price evaluation adjustment to their acquisitions.

**DATES:** *Effective Date:* April 19, 2006.

**FOR FURTHER INFORMATION CONTACT:** For clarification of content, contact Ms. Rhonda Cundiff, Procurement Analyst, at (202) 501-0044. Please cite FAC 2005-09, FAR case 2005-002. For information pertaining to status or publication schedules, contact the FAR Secretariat at (202) 501-4755.

**SUPPLEMENTARY INFORMATION:**

#### A. Background

DoD, GSA, and NASA published an interim rule at 70 FR 57462 on September 30, 2005, to cancel for civilian agencies (except NASA and Coast Guard) the Small Disadvantaged Business (SDB) price evaluation adjustment which was originally authorized under the Federal Acquisition Streamlining Act of 1994. The Councils received no comments on the interim rule. Therefore, the Councils have adopted the interim rule as a final rule without change.

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 Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, applies to this final rule. The Councils prepared a Final Regulatory Flexibility Analysis (FRFA), and it is summarized as follows:

#### Final Regulatory Flexibility Analysis

The small disadvantaged business price evaluation adjustment for civilian agencies other than National Aeronautics and Space Administration (NASA) and Coast Guard, originally authorized under the Federal Acquisition Streamlining Act of 1994 (Pub. L. 103-355, Sec. 7102) expired. This provision, as implemented in Federal Acquisition Regulation, authorized agencies to apply the price evaluation adjustment to benefit certain small disadvantaged business concerns in competitive acquisitions. As a result of its expiration for civilian agencies with the exception of NASA and Coast Guard, these agencies have no statutory authority to apply the small disadvantaged business price evaluation adjustment to their acquisitions.

This change will 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 civilian agencies (excluding NASA and Coast Guard) will no longer have the authority to apply the price evaluation adjustment to benefit certain small disadvantaged business concerns in competitive acquisitions. However, not all of these small disadvantaged businesses will be affected because the price evaluation adjustment is authorized only for specific NAICS codes. The price evaluation adjustment is still authorized for the Department of Defense, U.S. Coast Guard, and National Aeronautics and Space Administration. The rule will positively impact certain large and small entities in specific NAICS codes competing with certain small disadvantaged business concerns in competitive acquisitions wherein the price evaluation adjustment could have applied if the authority had not expired. There will be a negative impact on a number of small disadvantaged businesses in competitive acquisitions for certain NAICS codes wherein the price evaluation adjustment authority could have applied.

Interested parties may obtain a copy of the FRFA from the FAR Secretariat. The FAR Secretariat has submitted a copy of the FRFA to the Chief Counsel for Advocacy of the Small Business Administration.

### 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 19 and 52

Government procurement.

Dated: April 12, 2006.

Gerald Zaffos,

Director, Contract Policy Division.

### Interim Rule Adopted as Final Without Change

■ Accordingly, the interim rule amending 48 CFR parts 19 and 52, which was published at 70 FR 57462, September 30, 2005, is adopted as a final rule without change. [FR Doc. 06-3683 Filed 4-18-06; 8:45 am]

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## DEPARTMENT OF DEFENSE

### GENERAL SERVICES ADMINISTRATION

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

#### 48 CFR Parts 25 and 52

[FAC 2005-09; FAR Case 2005-045; Item VII Docket FAR-2006-0020]

RIN 9000-AK43

#### Federal Acquisition Regulation; Removal of Sanctions Against Certain European Union Member States

**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 remove the sanctions against certain European Union (EU) countries.

**DATES:** *Effective Date:* April 19, 2006.

*Comment Date:* Interested parties should submit written comments to the FAR Secretariat on or before June 19, 2006 to be considered in the formulation of a final rule.

**ADDRESSES:** Submit comments identified by FAC 2005-09, FAR case 2005-045, 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.2005-045@gsa.gov](mailto:farcase.2005-045@gsa.gov). Include FAC 2005-09, FAR case 2005-045 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 2005-09, FAR case 2005-045, 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 Mr.

William Clark, Procurement Analyst, at (202) 219-1813. Please cite FAC 2005-09, FAR case 2005-045. For information pertaining to status or publication schedules, contact the FAR Secretariat at (202) 501-4755.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

The USTR has issued a determination removing the sanctions against Austria, Belgium, Denmark, Finland, France, Ireland, Italy, Luxembourg, the Netherlands, Sweden, and the United Kingdom (71 FR 10093). These sanctions were put in place in 1993 and apply only to acquisitions not covered by the WTO GPA (*i.e.*, end products with an estimated acquisition value less than \$193,000, construction with an estimated acquisition value less than \$7,407,000, or services that are excluded from coverage by the WTO GPA). These sanctions did not apply to acquisitions by the Department of Defense.

This interim rule removes FAR Subpart 25.6, Trade Sanctions, and the clauses at FAR 52.225-15, Sanctioned European Union Country End Products, and 52.225-16, Sanctioned European Union Country Services, and other associated references in FAR Part 25.

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 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.*, because this rule only removes sanctions from end products from sanctioned EU countries with an estimated acquisition value less than \$193,000, sanctioned EU country construction with an estimated acquisition value less than \$7,407,000, or sanctioned EU country services that are excluded from coverage by the World Trade Organization Government Procurement Agreement. These sanctions did not apply to small business set-asides, to acquisitions below the simplified acquisition threshold using simplified acquisition procedures, or to acquisitions by the Department of Defense. Therefore, an Initial Regulatory Flexibility Analysis has not been performed. The Councils will consider comments from small entities concerning the affected FAR Parts 25 and 52 in accordance with 5 U.S.C. 610. Interested parties must