

Defense Pentagon, Washington, DC 20301-3062. Telephone 703-602-1302; facsimile 703-602-7887. Please cite DFARS Case 2007-D016.

SUPPLEMENTARY INFORMATION:

A. Background

DoD published an interim rule at 73 FR 1826 on January 10, 2008, to implement Section 130 of the National Defense Authorization Act for Fiscal Year 2007 (Pub. L. 109-364). Section 130 requires DoD to prescribe in regulations a quality control policy for the procurement of ship critical safety items and the modification, repair, and overhaul of those items. The interim rule amended DFARS 209.270-1 through 209.270-4 and related text to address quality control of ship critical safety items.

DoD received one comment on the interim rule. The respondent stated that DoD contracting personnel have misinterpreted the term "certificate of conformance," as used in DFARS 246.504 with regard to limitation on its use, to mean a manufacturer's certificate that its products conform to quality requirements. This misinterpretation has led buying office quality representatives to take a position that products presented for inspection at source, or "origin," are not acceptable if presented with a corresponding manufacturer's certificate of conformance (to its quality requirements). The intent of the DFARS term is to refer to approval given under the clause at FAR 52.246-15, Certificate of Conformance, which enables a DoD quality assurance specialist to allow a contractor to ship items without inspection under certain circumstances. Therefore, the respondent recommended that DFARS 246.504 be clarified by adding a reference to the clause at FAR 52.246-15.

DoD does not believe the clarification is necessary. The text at DFARS 246.504 must be read in conjunction with the corresponding text at FAR 46.504, which specifies the appropriate conditions for use of a certificate of conformance and includes a reference to the prescription for the clause at FAR 52.246-15. Therefore, DoD has adopted the interim rule as a final rule without change.

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 primarily relates to internal DoD responsibilities for ensuring quality control of ship critical safety items. In addition, the Navy already has implemented stringent quality control programs with regard to ship critical safety items.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply, because the rule does not impose any 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 209, 217, and 246

Government procurement.

Michele P. Peterson,

Editor, Defense Acquisition Regulations System.

Interim Rule Adopted as Final Without Change

Accordingly, the interim rule amending 48 CFR parts 209, 217, and 246, which was published at 73 FR 1826 on January 10, 2008, is adopted as a final rule without change.

[FR Doc. E8-18510 Filed 8-11-08; 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: Final rule.

SUMMARY: DoD has adopted as final, without change, 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:* August 12, 2008.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, Defense Acquisition Regulations System, OUSD (AT&L) DPAP (DARS), IMD 3D139, 3062

Defense Pentagon, Washington, DC 20301-3062. Telephone 703-602-0328; facsimile 703-602-7887. Please cite DFARS Case 2007-D023.

SUPPLEMENTARY INFORMATION:

A. Background

DoD published an interim DFARS rule at 73 FR 4115 on January 24, 2008, to reflect increased dollar thresholds for application of the trade agreements. Every two years, the trade agreement thresholds are escalated according to a pre-determined formula set forth in the agreements.

DoD received no comments on the interim rule. Therefore, DoD has adopted the interim rule as a final rule without change.

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 trade agreement threshold changes are designed to keep pace with inflation and thus maintain the status quo.

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.

List of Subjects in 48 CFR Part 225

Government procurement.

Michele P. Peterson,

Editor, Defense Acquisition Regulations System.

Interim Rule Adopted as Final Without Change

■ Accordingly, the interim rule amending 48 CFR part 225, which was published at 73 FR 4115 on January 24, 2008, is adopted as a final rule without change.

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