

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION**

48 CFR Parts 1, 2, 4, 7, 8, 9, 12, 13, 16, 17, 18, 19, 22, 23, 25, 26, 28, 32, 44, and 52

[FAC 2005–101; FAR Case 2015–005; Item I; Docket No. 2015–0005, Sequence No. 1]

RIN 9000–AN19

**Federal Acquisition Regulation:
System for Award Management
Registration**

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

ACTION: Final rule.

SUMMARY: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to update the instructions for registration in the System for Award Management and clarify the timing of registration in the System for Award Management.

DATES: *Effective* October 26, 2018.

FOR FURTHER INFORMATION CONTACT: Mr. Curtis E. Glover, Sr., Procurement Analyst, at 202–501–1448, for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755. Please cite FAC 2005–101, FAR Case 2015–005.

SUPPLEMENTARY INFORMATION:**I. Background**

DoD, GSA, and NASA published a proposed rule in the **Federal Register** at 81 FR 31895 on May 20, 2016, to update the instructions for registration in the System for Award Management (SAM) and correct an inconsistency involving the timing of registration. In order to correct this inconsistency, the rule proposed changes to FAR 4.1102, 4.1103, 52.204–7, and 52.212–1(k) to require offeror registration in SAM prior to submission of an offer. In addition, the proposed rule also required contracting officers to use the name and physical address from the contractor's SAM registration for the provided Data Universal Numbering System (DUNS) (now the unique entity identifier). The proposed rule also removed the term "division name" from the FAR text at FAR 4.1102, clause 52.204–13, and provision 52.212–4. These proposed changes have been implemented in the

final rule. Ten respondents submitted comments on the proposed rule.

II. Discussion and Analysis

The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (the Councils) reviewed the public comments in the development of the final rule. A discussion of the comments and changes to the rule is provided as follows:

A. Summary of Significant Changes in Response to Public Comments

There are no changes from the proposed rule as a result of the public comments received.

B. Analysis of Public Comments

The concerns of many respondents were based on the perception that this rule creates a new requirement for offerors. The Councils emphasize that this rulemaking effort does not create a new requirement for offerors, large or small. The purpose of this rule is to clarify for offerors the required timing of SAM registration, *i.e.*, when should offerors register in SAM. This clarification is necessary because of the following inconsistencies in current FAR language:

- FAR 4.1102 states that prospective contractors shall be registered in SAM (which includes online representations and certifications) prior to contract award (with some exceptions) and FAR clause 52.204–7(b)(1) currently requires the offeror to acknowledge the requirements that a prospective awardee shall be registered in SAM prior to award.

- However, paragraphs (b) and (d) of FAR clause 52.204–8, require that if the provision 52.204–7, System for Award Management, is included in the solicitation, then the offeror shall have completed the annual representations and certifications electronically via the SAM website (which would require registration in SAM). The offeror then verifies, by submission of its offer, that the representations and certifications in SAM are current, accurate, and complete, except for changes identified by the offeror in its offer. This requirement has been in the FAR since 2005, when registering in the legacy Central Contractor Registration (CCR). Along with representations required by FAR 52.212–3 for offers of commercial item acquisitions, these provisions have generally made registration in SAM at the time of offer the *de facto* requirement, despite the language in FAR 4.1102(a) and 52.204–7 speaking to registration in SAM prior to award.

This final rule corrects the inconsistency. The rule requires all offerors (except as provided at FAR 4.1102) to be registered in SAM at the time of submission of an offer or quotation, consistent with the requirements of FAR clause 52.204–8. Offerors can complete their representations and certifications as part of their SAM registration.

1. Effect on Offers and Competition

Comments: A number of comments were received regarding the effect of this rule on submission of offers.

- One respondent stated that the change could have a potential impact on the prime contractor's ability to respond in a timely manner to a Request for Technical Proposal (RFTP) on an indefinite-delivery indefinite-quantity (IDIQ) contract where small businesses are used as subcontractors.

- One respondent was concerned that many offerors would not want to register in SAM with submission of the offer, because they would want to wait until they had the incentive of knowing that they were going to receive the award.

- Another respondent stated that the proposed change requiring offerors to be registered in SAM prior to submitting an offer would increase the possibility of the Government receiving only one bid (the "one bid" issue) in response to a solicitation and would especially impact simplified procurements. Still another respondent stated that the rule will severely limit the number of potential offerors.

- Another respondent was concerned that the reduction of competition would put the Government in a situation where SAM-registered vendors could charge exorbitant prices.

- One respondent commented that the rule would hamper Government efforts to maintain an adequate list of SAM-registered vendors to obtain offers, which could in turn hamper efforts to prevent damage to the Government's real property loan security while seeking a SAM-registered vendor to perform the work.

- Another respondent stated that requiring SAM registration prior to submitting an offer would potentially restrict a newly formed company, a new division of an existing company, or an existing company that is pursuing its first Government contract from responding to a solicitation. According to the respondent, newly established entities or business units would be disadvantaged, because the proposed rule fails to address how they should respond to certain questions, thereby disadvantaging otherwise qualified

entities from participating in competitions until they resolve how to complete the complicated SAM registration. The respondent stated that the proposed change would, in effect, limit competition to existing SAM-registered companies, and eliminate new creative solutions.

- One respondent stated that restricting business opportunities to those companies that have completed SAM registration prior to submitting an offer would undoubtedly work against the Better Buying Power initiative (DoD's implementation of best practices to strengthen the Defense Department's buying power, improve industry productivity, and provide an affordable, value-added military capability to the Warfighter, including promoting effective competition and increasing small business participation).

- Another respondent commented that the rule would severely limit the contracting officer's ability to solicit offers from vendors who may be willing to register in SAM, but do not know about Government requirements until the Government contract office asks them for quotes for the new work.

- Finally, a respondent stated that mandating registration in SAM prior to proposal submission, in comparison to current practice of ensuring that parties are registered prior to receipt of contract award, may significantly discourage non-traditional suppliers from responding to broad agency announcements and other research and development (R&D) type solicitation opportunities of interest.

Response: As stated at the beginning of section II.B. of this preamble, the requirement for offerors to be registered in SAM at time of submission of an offer is not new. All vendors (unless an exception cited in FAR 4.1102 applies) are required to be registered in SAM in order to complete the annual representations and certifications when responding to a Government solicitation. Therefore, clarifying the required timing of SAM registration will not restrict competition and will not limit the number of offerors.

Although SAM can be used as a Government source list for procurements (see FAR 13.103), the Government also uses other means of identifying sources using market research (see FAR part 10).

As stated in FAR clause 52.204-7(e), offerors that are not registered in SAM should consider applying for registration immediately upon issuance of a solicitation. Offerors or potential contractors needing assistance in responding to SAM registration questions should contact the Federal

Service Desk at <https://www.fsd.gov/fsd-gov/home.do> if they need assistance.

2. The SAM Repository

Comment: One respondent stated that, while they fully supported the improvements in the SAM registration system requirements, they strongly recommended that agencies take time to address all of the inconsistencies and ambiguities at once as a piecemeal approach exacerbates the problems with SAM and creates substantial additional work in terms of revising processes, reviewing answers for accuracy, etc. Some of the concerns expressed by this respondent related to the inter-relationship between the various elements of SAM (*i.e.*, the former CCR and the Online Representations and Certifications) the difficulty of interpreting and understanding new fields in SAM; and concern about several specific representations and certifications required or proposed for inclusion in SAM.

Response: The concerns of the respondent are outside the scope of this case. It is not relevant whether a question in SAM arose from the CCR or another system in SAM, since SAM is now a unified repository. This rule cannot provide an interpretation of, or justification for, individual representations and certifications. These representations and certifications were all developed and published in the **Federal Register** for public comment through various individual FAR cases. This rule corrects the known inconsistencies relating to the timing of registration in SAM, not the content of SAM. As stated in section II.B.1. of this preamble, offerors needing assistance in responding to SAM registration questions should contact the Federal Service Desk at <https://www.fsd.gov/fsd-gov/home.do>.

3. Exception for Joint Ventures

Comment: One respondent expressed support for the proposed rule; however, the respondent suggested an exception for newly formed joint ventures as a direct result of a procurement opportunity. The respondent suggested that the Government could either require proof of submission for SAM registration as of the date of offer, or could require proof/verification that each joint venture entity has an active SAM registration at the time of proposal submission.

Response: An exception to SAM registration requirements to provide for registration of joint ventures after submission of offers but prior to award is not practicable, because the contracting officer needs to review the

annual representations and certifications to evaluate the offers. Joint venture agreements should be in place more than 48-72 hours in advance of proposal submission, which allows adequate time for completion of registration in SAM. It is also not feasible to rely on the SAM registration of separate members of the joint venture, because the Government collects specific part 19-related joint venture information in the representations and certifications (52.219-1) part of SAM, and the contracting activity works with Small Business Administration to validate that joint ventures meet the requirements of the small business category which they have provided in SAM. Offerors that are not registered in SAM should apply for registration immediately upon issuance of the solicitation so that there should be time for a joint venture or any other type of business to be registered in SAM at the time of the submission of an offer.

4. Public Burden

Comment: Several respondents commented on the public burden that the proposed rule would impose. One respondent stated that for larger companies, the effort to complete a SAM registration can take many weeks. This respondent also stated that it had commented on a proposed FAR rule covering debarment and suspension, and had shared in that comment that the Federal Government had vastly underestimated the burden associated with compiling and reporting requisite information to complete registration in SAM.

Another respondent stated that this added requirement may serve to impose a potential cost on those that otherwise may have been willing to submit a R&D idea for funding consideration via long standing streamlined R&D solicitation procedures.

Response: As previously stated, this rule does not impose a new requirement and is therefore not an impediment for businesses, because registration in SAM at time of offer submission is already required by FAR provision 52.204-8(b) and (d), if the provision FAR 52.204-7 is in the solicitation.

SAM is the single entry point for the representations and certifications used in Federal contracting. This one-time investment of time of completing the annual representations and certifications at time of registration is less than the time that would be needed to prepare and submit representations and certifications manually on paper and in response to each Government solicitation. Once a business is registered in SAM there is an annual

renewal requirement to update the annual representations and certifications, and a requirement for entities to update throughout the year only if an entity's information has changed. This eliminates the need for potential offerors to complete full representations and certifications on paper multiple times a year when responding to solicitations.

5. Applicability to Subcontractors

Comment: One respondent recommended that the rule clarify that the prime and any key subcontractors are required to be registered upon proposal submission, but that lesser subcontractors or consultants are only required to be registered prior to receipt of a subaward.

Response: Subcontractors or consultants to prime contractors are not required to be registered in SAM.

6. Impact on Small Businesses

See the analysis of public comments on the initial regulatory flexibility analysis in section VI. of this preamble.

C. Other Changes From the Proposed Rule

1. Baseline

There have been many FAR baseline changes since publication of the proposed rule in May 2016, due to publication of Federal Acquisition Circulars 2005–89 through the present one. In particular, the issuance of the final rule under FAR Case 2015–022, Unique Identification of Entities Receiving Federal Awards, published in FAC 2005–91 on September 30, 2016 (81 FR 67736), changed the term “DUNS number” to “unique entity identifier”.

2. Exemptions at FAR 4.1102 and 18.102

The exemption at FAR 4.1102(a)(5) is an inaccurate rewording of the exemption at FAR 6.302–2, which addresses needs of unusual and compelling urgency. FAR 4.1102(a)(5) and 18.102(a)(1) have been reworded to accurately reflect this exception to include “urgency”. In addition FAR 18.102(a) has been corrected to indicate that 4.1102 exempts contractors from the requirements to be registered at time of submission of offers or quotations. However, 4.1103(b) requires subsequent registration for those offers exempted on the basis of 6.302–2. FAR 18.102 has also been amplified to include the exemptions for contracts awarded by contracting officers deployed in certain difficult situations.

3. Use and Content of 52.204–7 and 52.204–13

The final rule changes the structure and presentation of the requirements of FAR provisions 52.204–7, System for Award Management, and FAR clause 52.204–13, System for Award Management Maintenance, as well as the means of inclusion of those requirements in solicitations and contracts for the acquisition of commercial items. There were several structural and technical issues that required resolution, without any change in the stated policies of the proposed rule.

a. *Prescription for use of 52.204–7 and 52.204–13 and the associated requirements for acquisitions of commercial items.* FAR 4.1105(a) requires use of the provision at FAR 52.204–7 in all solicitations unless an exception at FAR 4.1102(a) applies. The provision is used with its Alternate I if the solicitation is for a contract to support needs of unusual and compelling urgency in accordance with FAR 4.1102(a)(5), the exception for contracts to support needs of unusual and compelling urgency in accordance with 6.302–2 (see section II.C.2. of this preamble). Likewise, FAR 4.1105(b) requires use of the clause at FAR 52.204–13 in solicitations that contain the provision at 52.204–7, and resulting contracts (*i.e.*, it will not be used if an exception at FAR 4.1102 applies).

However, when this provision and clause are incorporated in paragraph (k) of FAR provision 52.212–1, Instruction to Offerors—Commercial Items; and paragraph (t) of FAR clause 52.212–4, Contract terms and Conditions—Commercial Items, the exceptions must be applied by an addendum to the solicitation and resultant contract, inserted by the contracting officer to exclude applicability of paragraphs (k) and (t), respectively. There are no other paragraphs in 52.212–1 and 52.212–4 that rely on an addendum by the contracting officer to establish inapplicability of the entire paragraph. Nor is there an instruction in the clause prescription alerting the contracting officer to the requirement to include such an addendum. There is high risk that the addendum will not be consistently inserted as required.

Furthermore, with regard to implementation of the equivalent of Alternate I in solicitations for the acquisition of commercial items, the current FAR does not specifically address how to implement Alternate I, but apparently also relies on an addendum to the contract to specify the conditions applicable if the contract is

in support of needs of unusual or compelling urgency. The proposed rule just inserted the terms “except in instances of urgency,” apparently leaving it to the contractor to determine, and not providing the process to be applied if there are instances of urgency (which is not the same as the terminology at 4.1102(a)(5)) or 6.302–2.

The final rule resolves these issues by removing paragraph (k) from FAR 52.212–1 and paragraph (t) from FAR 52.212–4, and clearly prescribes at 12.301(d) the use of the correct provision or clause at 12.301(d) by referencing the prescriptions at 4.1105(a) and (b) for appropriate use of FAR 52.204–7 (including use with its Alternate I) and FAR 52.204–13.

b. *Text of 52.204–7, its Alternate I, and 52.204–13.* The text of 52.204–7 included various acknowledgements, which became more awkward when requiring the offeror to acknowledge that the offeror is registered in SAM at time of submission of the offer. These acknowledgements were inconsistent with the location of the provisions in 52.212–1, which is supposed to be instructions to the offeror. The acknowledgements have been replaced with instructions to the offeror, relating to preaward requirements. The postaward requirements have been moved to the FAR clause 52.204–13. There were some errors made in the proposed changes to Alternate I, which is applicable in the circumstances where registration in SAM may be delayed until after award due to urgency. Therefore, if Alternate I is included by the contracting officer in the solicitation, it is not required to be registered in SAM at time of submission of the offer. The only requirement prior to award is that the offeror complete the registration as soon as possible. If registration has not yet occurred at time of award, the offeror is directed to the postaward requirements, which have been moved to the clause 52.204–13.

4. Active in SAM

The language at FAR 4.1103(a)(1) has been changed to specify that offerors must have status designation of “active” in SAM at the time of offer or quotation submission, to distinguish active from inactive registrants in SAM. The “active” state is the normal state for the contractor account. In this state, contractors can log in to SAM and perform all necessary functions. Contractor accounts become inactive either after an extensive period of user inactivity, or if the contractor chooses to manually deactivate the account. To prevent the account from becoming inactive, contractors should log in to

SAM at least once every 13 months (395 days).

5. SAM Website and Terminology

The final rule changes the referenced website “acquisition.gov” to “sam.gov” to be consistent with the rest of the FAR. “Database” is also removed from “SAM” for consistency throughout.

6. “Offeror” vs. “Prospective Contractor”

Previously, we noted that the prospective contractor had to register in SAM prior to contract award; not all prospective contractors are required to be registered. Only the offeror/quoter is required to be registered in SAM at time of submission of the offer.

7. Exclusions

The final rule amends 9.405, 17.207, and 22.1025 to match the terminology proposed at 9.404 with regard to exclusions in SAM.

8. Miscellaneous Edits

The final rule contains other miscellaneous edits relating to word usage (e.g., “must” vs. “shall” and “quote” vs. “quotation”), punctuation, and capitalization.

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

This rule is not statutory and is not subject to 41 U.S.C. 1905 through 1907. This rule clarifies the timing of existing SAM registration requirements. It does not impact the applicability at or below the simplified acquisition threshold or applicability to commercial items. The affected clauses are FAR 52.204–7, System for Award Management; FAR 52.204–8, Annual Representations and Certifications; FAR 52.204–13, System for Award Management Maintenance; FAR 52.212–1, Instructions to Offerors—Commercial Items; FAR 52.212–4, Contract Terms and Conditions—Commercial Items; and 52.212–5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders—Commercial Items.

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

equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under Section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

V. Executive Order 13771

This rule is not subject to the requirements of E.O. 13771, because this rule is not a significant regulatory action under E.O. 12866.

VI. Regulatory Flexibility Act

DoD, GSA, and NASA have prepared a Final Regulatory Flexibility Analysis (FRFA) consistent with the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* The FRFA is summarized as follows:

This rule amends the FAR to update the instructions for System for Award Management (SAM) registration and to clarify the required timing of SAM registration. The objective of the rule is to clarify that the offeror must be registered in SAM at the time of offer submission in order to complete the required annual representations and certifications.

Comments: Several respondents submitted public comments in response to the initial regulatory flexibility analysis with regard to the impact the rule would have on small businesses. A discussion of the comments is provided as follows:

According to the respondents, the requirement to be registered in SAM at time of offer submission would—

- Further restrict competition among small businesses;
- Discriminate against the small business owner;
- Effectively shut out small businesses from submitting offers as they generally are not registered in SAM;
- Slow the procurement processes and not give fair opportunity to all small businesses; and
- Place an undue burden on small businesses, because the window to participate in a solicitation is short, and for a small business there are competing demands for developing an adequate proposal and completing the SAM registration.

One respondent recommended that small businesses should be allowed extra time to complete their SAM registration, which would promote small business participation.

Response: The Government notes that most of these respondents were not small entities. The requirement for offerors to be registered in SAM at time of submission of an offer is not new. All vendors (unless an exception cited in FAR 4.1102 applies) are required to be registered in SAM in order to complete the annual representations and certifications when responding to a Government solicitation. Therefore, clarifying the required

timing of SAM registration will not restrict competition and will not limit the number of offerors, whether the business is large or small. About 75 percent of the current registrants in SAM meet the small business size code for their primary North American Industry Classification System (NAICS) code, so there is no indication that required registration in SAM creates an unreasonable impediment to small businesses.

Once a business, including a small business, is registered in SAM, there is an annual renewal requirement to update the annual representations and certifications, and a requirement for entities to update throughout the year only if an entity's information has changed. This eliminates the need for potential offerors to complete full representations and certifications on paper multiple times a year when responding to multiple solicitations. There were no changes from the proposed rule in response to these comments.

The final rule applies, with some exceptions, to small businesses that submit offers to the Federal Government for acquisitions that exceed the micro-purchase threshold. Currently, of the 452,310 active registrants in SAM for “all awards,” 338,207 (75 percent) certified to meeting the size standard as small for their primary NAICS code. We estimate that not more than half of those small businesses will submit an offer in a given year.

The rule contains information collection requirements. OMB has cleared this information collection requirement under OMB Control Number 9000–0159, titled: System for Award Management Registration (SAM).

No alternative approaches were identified that would meet the objectives of the rule. This rule requires offerors to be registered in SAM at the time of submission of an offer, which is necessary in order to submit the required representations and certifications electronically with submission of the offer. It is not anticipated that the rule will have a significant economic impact on small entities, because this is already required by FAR 52.204–8. This approach is less burdensome than submitting annual representations and certifications manually on paper in response to every solicitation.

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

VII. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. Chapter 35) applies. The rule contains information collection requirements. OMB has cleared this information collection requirement under OMB Control Number 9000–0159; “System for Award Management Registration”.

List of Subjects in 48 CFR Parts 1, 2, 4, 7, 8, 9, 12, 13, 16, 17, 18, 19, 22, 23, 25, 26, 28, 32, 44, and 52

Government procurement.

Dated: September 17, 2018.

William F. Clark,

Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

Therefore, DoD, GSA, and NASA amend 48 CFR parts 1, 2, 4, 7, 8, 9, 12, 13, 16, 17, 18, 19, 22, 23, 25, 26, 28, 32, 44, and 52 as set forth below:

■ 1. The authority citation for parts 1, 2, 4, 7, 8, 9, 12, 13, 16, 17, 18, 19, 22, 23, 25, 26, 28, 32, 44, and 52 continues to read as follows:

Authority: 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 51 U.S.C. 20113.

PART 1—FEDERAL ACQUISITION REGULATIONS SYSTEM

1.106 [Amended]

■ 2. Amend section 1.106 by removing from the table the entries for FAR segments “52.212–1(k)” and “52.212–4(i)”.

PART 2—DEFINITIONS OF WORDS AND TERMS

2.101 [Amended]

■ 3. Amend section 2.101 in paragraph (b)(2) revising the defined term “Registered in the System for Award Management (SAM) database” to read “Registered in the System for Award Management (SAM)” and by removing from paragraphs (1) and (2), “the SAM database;” and adding “SAM;” in their places.

PART 4—ADMINISTRATIVE MATTERS

4.605 [Amended]

■ 4. Amend section 4.605 by removing from paragraph (b), in the third sentence, “database”.

4.1100 [Amended]

■ 5. Amend section 4.1100 by removing from the introductory text “database”.

■ 6. Amend section 4.1102 by—

■ a. Revising paragraph (a) introductory text;

■ b. Removing from paragraph (a)(2) “the SAM database;” and adding “SAM;” in its place;

■ c. Revising paragraphs (a)(5) and (6);

■ d. Redesignating paragraph (c) as paragraph (d);

■ e. Adding a new paragraph (c);

■ f. Revising newly redesignated paragraph (d)(1); and

■ g. Removing from newly redesignated paragraph (d)(3) “the SAM database” and adding “SAM” in its place.

The revisions and addition reads as follows.

4.1102 Policy.

(a) Offerors and quoters are required to be registered in SAM at the time an offer or quotation is submitted in order to comply with the annual representations and certifications requirements except for—

* * * * *

(5) Contracts awarded without providing for full and open competition due to unusual or compelling urgency (see 6.302–2);

(6) Contract actions at or below \$30,000 awarded to foreign vendors for work performed outside the United States, if it is impractical to obtain SAM registration; and

* * * * *

(c) Contracting officers shall use the legal business name or “doing business as” name and physical address from the contractor’s SAM registration for the provided unique entity identifier to identify the contractor in section A of the contract schedule, similar sections of non-uniform contract formats and agreements, and all corresponding forms and data exchanges. Contracting officers shall make no changes to the data retrieved from SAM.

(d)(1)(i) If a contractor has legally changed its business name or “doing business as” name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in subpart 42.12, the contractor is required to provide the responsible contracting officer a minimum of one business day’s written notification of its intention to change the name in SAM, comply with the requirements of subpart 42.12, and agree in writing to the timeline and procedures specified by the responsible contracting officer. Along with the notification, the contractor is required to provide the contracting officer sufficient documentation to support the legally changed name.

(ii) If the contractor fails to comply with the requirements of paragraph (d)(1)(i) of the clause at 52.204–13, System for Award Management Maintenance, or fails to perform the agreement at 52.204–13, paragraph (d)(1)(i)(C), and, in the absence of a properly executed novation or change-of-name agreement, the SAM information that shows the contractor to be other than the contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of

Payment” paragraph of the EFT clause of the contract.

* * * * *

■ 7. Revise section 4.1103 to read as follows:

4.1103 Procedures.

(a) Unless the acquisition is exempt under 4.1102(a), the contracting officer—

(1) Shall verify that the offeror or quoter is registered in SAM (see paragraph (b) of this section) at the time an offer or quotation is submitted;

(2) Should use the unique entity identifier to verify SAM registration—

(i) Via <https://www.sam.gov>; or

(ii) As otherwise provided by agency procedures; or

(3) Need not verify SAM registration before placing an order or call if the contract or agreement includes the provision at 52.204–7, System for Award Management, or the clause at 52.212–4, Contract Terms and Conditions—Commercial Items, or a similar agency clause, except when use of the Governmentwide commercial purchase card is contemplated as a method of payment. (See 32.1108(b)(2).)

(b) If the contract action is being awarded in accordance with 4.1102(a)(5), the contractor is required to be registered in SAM within 30 days after contract award, or at least three days prior to submission of the first invoice, whichever occurs first.

(c) Agencies shall protect against improper disclosure of information contained in SAM.

(d) The contracting officer shall, on contractual documents transmitted to the payment office, provide the unique entity identifier, or, if applicable, the Electronic Funds Transfer indicator, in accordance with agency procedures.

4.1104 [Amended]

■ 8. Amend section 4.1104 by removing “<https://www.acquisition.gov>” and adding “<https://www.sam.gov>, Search Records, Advanced Search, Disaster Response Registry Search” in its place.

■ 9. Revise section 4.1105 to read as follows:

4.1105 Solicitation provision and contract clauses.

(a)(1) Insert the provision at 52.204–7, System for Award Management, in all solicitations except when the conditions in 4.1102(a) apply.

(2) Insert the provision at 52.204–7, System for Award Management, with its Alternate I when the solicitation is anticipated to be awarded in accordance with 4.1102(a)(5).

(b) Insert the clause at 52.204–13, System for Award Management

Maintenance, in solicitations that contain the provision at 52.204–7, and resulting contracts.

■ 10. Revise section 4.1201 to read as follows:

4.1201 Policy.

(a) Offerors and quoters are required to complete electronic annual representations and certifications in SAM accessed via <https://www.sam.gov> as a part of required registration (see FAR 4.1102).

(b)(1) All registrants are required to review and update the representations and certifications submitted to SAM as necessary, but at least annually, to ensure they are kept current, accurate, and complete. The representations and certifications are effective until one year from date of submission or update to SAM.

(2) A contractor that represented itself as a small business prior to award of a contract must update the representations and certifications in SAM in accordance with 52.219–28. A contractor that represented itself as other than small business before contract award and qualifies as a small business may update its representations and certifications in SAM in accordance with 52.219–28.

(c) Data in SAM is archived and is electronically retrievable. Therefore, when a prospective contractor has completed representations and certifications electronically in SAM, the contracting officer must reference the date of SAM verification in the contract file to satisfy contract file documentation requirements of 4.803(a)(11). However, if an offeror identifies changes to SAM data pursuant to the FAR provisions at 52.204–8(d) or 52.212–3(b), the contracting officer must include a copy of the changes in the contract file.

(d) The contracting officer shall incorporate the representations and certifications by reference in the contract (see 52.204–19, or for acquisitions of commercial items see 52.212–4(v)).

■ 11. Amend section 4.1202 by revising paragraph (a) introductory text to read as follows:

4.1202 Solicitation provision and contract clause.

(a) Insert the provision at 52.204–8, Annual Representations and Certifications, in solicitations, except for commercial item solicitations issued under FAR part 12. The contracting officer shall check the applicable provisions at 52.204–8(c)(2). When the provision at 52.204–7, System for Award Management, is included in the

solicitation, do not separately include the following representations and certifications:

* * * * *

PART 7—ACQUISITION PLANNING

7.103 [Amended]

■ 12. Amend section 7.103 by removing from paragraph (y) “<https://www.acquisition.gov>” and adding “<https://www.sam.gov>, Search Records, Advanced Search, Disaster Response Registry Search” in its place.

PART 8—REQUIRED SOURCES OF SUPPLIES AND SERVICES

8.402 [Amended]

■ 13. Amend section 8.402 by removing from paragraph (g) “database”.

PART 9—CONTRACTOR QUALIFICATIONS

9.109–2 [Amended]

■ 14. Amend section 9.109–2 by removing “database”.

9.109–4 [Amended]

■ 15. Amended section 9.109–4 by removing from paragraph (b) “database”.

■ 16. Amend section 9.404 by—

- a. Revising the section heading;
- b. Revising paragraph (a)(1);
- c. Removing from paragraph (b) introductory text “The SAM Exclusions” and adding “An exclusion record in SAM” in its place;
- d. Removing from paragraph (b)(1) “of all contractors debarred” and adding “of the entities debarred” in its place;
- e. Revising paragraph (c); and
- f. Removing from paragraph (d) “<https://www.acquisition.gov>” and adding “<https://www.sam.gov>” in its place.

The revisions read as follows:

9.404 Exclusions in the System for Award Management.

(a) * * *

(1) Operates the web-based System for Award Management (SAM), which contains exclusion records; and

* * * * *

(c) Each agency shall—

(1) Identify the individual(s) responsible for entering and updating exclusions data in SAM and assign the appropriate roles;

(2) Remove the exclusion roles in SAM when the individual leaves the organization or changes functions;

(3) For each exclusion accomplished by the Agency—

(i) Enter the information required by paragraph (b) of this section within 3 working days after the action becomes effective;

(ii) Determine whether it is legally permitted to enter the SSN, EIN, or other TIN, under agency authority to suspend or debar; and

(iii) Update the exclusion record in SAM, generally within 5 working days after modifying or rescinding an action;

(4) In accordance with internal retention procedures, maintain records relating to each debarment, suspension, or proposed debarment taken by the agency;

(5) Establish procedures to ensure that the agency does not solicit offers from, award contracts to, or consent to subcontracts with contractors who have an active exclusion record in SAM, except as otherwise provided in this subpart;

(6) Direct inquiries concerning listed contractors and other entities to the agency or other authority that took the action; and

(7) Contact GSA for technical assistance with SAM, via the support email address or on the technical support phone line.

* * * * *

9.405 [Amended]

■ 17. Amend section 9.405 by—

■ a. Removing from paragraph (b) “Contractors included in the SAM Exclusions as having” and adding “Contractors and other entities that have an active exclusion record in SAM because they have” in its place;

■ b. Removing from paragraph (d)(1) “proposals, the contracting officer shall review the SAM Exclusions” and adding “proposals or quotes, the contracting officer shall review the exclusion records in SAM” in its place; and

■ c. Removing from paragraph (d)(4) “SAM Exclusions” and adding “the exclusion records in SAM” in its place.

9.405–2 [Amended]

■ 18. Amend section 9.405–2 by—

■ a. Removing from paragraph (b) introductory text “the parties’ listing in SAM Exclusions” and adding “the party’s having an active exclusion record in SAM” in its place;

■ b. Removing from paragraph (b)(2) “being listed in SAM Exclusions” and adding “having an active exclusion record in SAM” in its place; and

■ c. Removing from paragraph (b)(3) “listing in SAM Exclusions” and adding “having an active exclusion record in SAM” in its place.

PART 12—ACQUISITION OF COMMERCIAL ITEMS

■ 19. Amend section 12.301 by—

- a. Redesignating paragraphs (d)(1) through (9) as (d)(3) through (11), respectively;
- b. Adding new paragraphs (d)(1) and (2);
- c. Revising newly redesignated paragraphs (d)(3) and (4); and
- d. Removing from paragraph (e)(4) “database”.

The additions and revisions read as follows:

12.301 Solicitation provisions and contract clauses for the acquisition of commercial items.

* * * * *

(d) * * *

(1) Insert the provision at 52.204–7, System for Award Management, as prescribed in 4.1105(a).

(2) Insert the clause at 52.204–13, System for Award Management Maintenance, as prescribed in 4.1105(b).

(3) Insert the provision at 52.204–16, Commercial and Government Entity Code Reporting, as prescribed in 4.1804(a).

(4) Insert the clause at 52.204–18, Commercial and Government Entity Code Maintenance, as prescribed in 4.1804(c).

* * * * *

PART 13—SIMPLIFIED ACQUISITION PROCEDURES

13.102 [Amended]

- 20. Amend section 13.102 by removing from paragraph (a) “database (see subpart 4.11) via <https://www.acquisition.gov>” and adding “(see subpart 4.11) via <https://www.sam.gov>” in its place.

13.201 [Amended]

- 21. Amend section 13.201 by removing from paragraph (h) “database”.

PART 16—TYPES OF CONTRACTS

16.505 [Amended]

- 22. Amend section 16.505 by removing from paragraph (a)(12) “database”.

PART 17—SPECIAL CONTRACTING METHODS

- 23. Amend section 17.207 by revising paragraph (c)(5) to read as follows:

17.207 Exercise of options.

* * * * *

(c) * * *

(5) The contractor does not have an active exclusion record in the System for Award Management (see FAR 9.405–1);

* * * * *

PART 18—EMERGENCY ACQUISITIONS

- 24. Revise section 18.102 to read as follows:

18.102 System for Award Management.

(a) In accordance with 4.1102, contractors are not required to be registered in the System for Award Management (SAM) at the time of submission of offers or quotations for—

(1) Contracts awarded without providing for full and open competition due to unusual and compelling urgency (see 6.302–2); or

(2) Contracts awarded by a contracting officer—

(i) Deployed in the course of military operations;

(ii) Located outside the United States and its outlying areas, for work to be performed in support of diplomatic or developmental operations, in an area that has been designated by the Department of State as a danger pay post; or

(iii) In the conduct of emergency operations.

(b) However, contractors are required to be registered in SAM in order to gain access to the Disaster Response Registry.

(c) Contracting officers shall consult the Disaster Response Registry via <https://www.sam.gov>, Search Records, Advanced Search, Disaster Response Registry Search to determine the availability of contractors for debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief activities inside the United States and outlying areas. (See 26.205).

PART 19—SMALL BUSINESS PROGRAMS

19.308 [Amended]

- 25. Amend section 19.308 by removing from paragraph (i)(3)(iii) “the System for Award Management (SAM)” and adding “SAM” in its place.

19.703 [Amended]

- 26. Amend section 19.703 by removing from paragraph (d)(1) introductory text “database”.

PART 22—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

- 27. Amend section 22.1025 by revising the first sentence to read as follows:

22.1025 Ineligibility of violators.

Persons or firms found to be in violation of the Service Contract Labor Standards statute will have an active exclusion record contained in the

System for Award Management (see 9.404). * * *

PART 23—ENVIRONMENT, ENERGY AND WATER EFFICIENCY, RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE

23.802 [Amended]

- 28. Amend section 23.802 by removing from paragraph (d) introductory text “database”.

PART 25—FOREIGN ACQUISITION

- 29. Amend section 25.703–3 by revising paragraph (a) to read as follows:

25.703–3 Prohibition on contracting with entities that export sensitive technology to Iran.

(a) The head of an executive agency may not enter into or extend a contract for the procurement of goods or services with a person that exports certain sensitive technology to Iran, as determined by the President, and has an active exclusion in the System for Award Management at <http://www.sam.gov> (22 U.S.C. 8515).

* * * * *

PART 26—OTHER SOCIOECONOMIC PROGRAMS

26.205 [Amended]

- 30. Amended section 26.205 by removing from paragraph (a) “<https://www.acquisition.gov>” and adding “<https://www.sam.gov>” in its place; and removing from paragraph (b) “<https://www.acquisition.gov>” and “register with SAM” and adding “<https://www.sam.gov>, Search Records, Advanced Search, Disaster Response Registry Search” and “in SAM” in their places, respectively.

PART 28—BONDS AND INSURANCE

- 31. Amend section 28.203–7 by revising paragraph (c) and removing from paragraph (d) “the System for Award Management Exclusions (see 9.404)” and adding “an active exclusion record in the System for Award Management (see 9.404),” in its place.

The revision reads as follows:

28.203–7 Exclusion of individual sureties.

* * * * *

(c) An individual surety excluded pursuant to this subsection shall be entered as an exclusion in the System for Award Management (see 9.404).

* * * * *

PART 32—CONTRACT FINANCING

32.1108 [Amended]

■ 32. Amend section 32.1108 by removing from paragraph (b)(2)(i) “(by looking in the System for Award Management (SAM))” and adding “by looking in the System for Award Management (SAM)” in its place.

■ 33. Amend section 32.1110 by revising paragraph (a)(1) introductory text and removing from (a)(2)(i) “the SAM database” and adding “SAM” in its place.

The revision reads as follows:

32.1110 Solicitation provision and contract clauses.

(a) * * *

(1) 52.232–33, Payment by Electronic Funds Transfer—System for Award Management, in solicitations and contracts that include the provision at 52.204–7, System for Award Management, or an agency clause that requires a contractor to be registered in SAM and maintain registration until final payment, unless—

* * * * *

PART 44—SUBCONTRACTING POLICIES AND PROCEDURES

■ 34. Amend section 44.202–2 by revising paragraph (a)(13) to read as follows:

44.202–2 Considerations.

(a) * * *

(13) Is the proposed subcontractor listed as excluded in the System for Award Management (see subpart 9.4)?

* * * * *

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

- 35. Amend section 52.204–7 by—
- a. Revising the date of the provision;
- b. In paragraph (a), revising the defined term “Registered in the System for Award Management (SAM) database” to read “Registered in the System for Award Management (SAM)”;
- c. Removing from paragraphs (a)(1) and (2) “the SAM database;” and adding “SAM;” in their places;
- d. Revising paragraph (b)(1);
- e. Removing from paragraph (b)(2) “the SAM database” and adding “SAM” in its place;
- f. Revising paragraph (d);
- g. Removing paragraphs (e) and (f); and
- h. Revising the date of Alternate I and paragraph (b)(1).

The revisions read as follows.

52.204–7 System for Award Management.

* * * * *

System for Award Management (Oct 2018)

* * * * *

(b)(1) An Offeror is required to be registered in SAM when submitting an offer or quotation, and shall continue to be registered until time of award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

* * * * *

(d) Processing time should be taken into consideration when registering. Offerors who are not registered in SAM should consider applying for registration immediately upon receipt of this solicitation. See <https://www.sam.gov> for information on registration.

(End of provision)

Alternate I (Oct 2018). * * *

(b)(1) An Offeror is required to be registered in SAM as soon as possible. If registration is not possible when submitting an offer or quotation, the awardee shall be registered in SAM in accordance with the requirements of clause 52.204–13, System for Award Management Maintenance.

■ 36. Amend section 52.204–8 by revising the date of the provision and paragraphs (b)(2) introductory text and (d) to read as follows:

52.204–8 Annual Representations and Certifications.

* * * * *

Annual Representations and Certifications (Oct 2018)

* * * * *

(b) * * *

(2) If the provision at 52.204–7, System for Award Management, is not included in this solicitation, and the Offeror has an active registration in the System for Award Management (SAM), the Offeror may choose to use paragraph (d) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The Offeror shall indicate which option applies by checking one of the following boxes:

* * * * *

(d) The Offeror has completed the annual representations and certifications electronically in SAM accessed through <https://www.sam.gov>. After reviewing the SAM information, the Offeror verifies by submission of the offer that the representations and certifications currently posted electronically that apply to this

solicitation as indicated in paragraph (c) of this provision have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

* * * * *

■ 37. Amend section 52.204–10 by—

- a. Revising the date of the clause;
- b. Removing from paragraph (d)(1) introductory text “database;” and
- c. Revising paragraph (h).

The revisions read as follows:

52.204–10 Reporting Executive Compensation and First-Tier Subcontract Awards.

* * * * *

Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2018)

* * * * *

(h) The FSRs database at <http://www.fsr.gov> will be prepopulated with some information from SAM and the FPDS database. If FPDS information is incorrect, the contractor should notify the contracting officer. If the SAM information is incorrect, the contractor is responsible for correcting this information.

* * * * *

■ 38. Amend section 52.204–13 by—

- a. Revising the date of the clause;
- b. In paragraph (a), revising the defined term “Registered in the System for Award Management (SAM) database” to read “Registered in the System for Award Management (SAM)”;
- c. Removing from paragraphs (a)(1) and (2) “the SAM database” and adding “SAM” in their places;
- d. Redesignating paragraphs (b) through (d) as paragraphs (c) through (e);
- e. Adding a new paragraph (b);
- f. Revising newly redesignated paragraphs (c) and (d)(1)(i) introductory text;
- g. Removing from newly redesignated paragraph (d)(1)(i)(A) “the SAM database” and adding “SAM” in its place;
- h. Removing from newly redesignated paragraph (d)(1)(ii) “(c)(1)(i)” and “(c)(1)(i)(C)” and adding “(d)(1)(i)” and “(d)(1)(i)(C)” in their places, respectively;

- i. Removing from newly redesignated paragraph (d)(2) “in the SAM” and adding “in SAM” in its place; and
- j. Removing from newly redesignated paragraph (e) “<https://www.acquisition.gov>” and adding “<https://www.sam.gov>” in its place.

The addition and revisions read as follows:

52.204–13 System for Award Management Maintenance.

* * * * *

System for Award Management Maintenance (Oct 2018)

* * * * *

(b) If the solicitation for this contract contained the provision 52.204–7 with its Alternate I, and the Contractor was unable to register prior to award, the Contractor shall be registered in SAM within 30 days after award or before three days prior to submission of the first invoice, whichever occurs first.

(c) The Contractor shall maintain registration in SAM during contract performance and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement. The Contractor is responsible for the currency, accuracy and completeness of the data within SAM, and for any liability resulting from the Government’s reliance on inaccurate or incomplete data. To remain registered in SAM after the initial registration, the Contractor is required to review and update on an annual basis, from the date of initial registration or subsequent updates, its information in SAM to ensure it is current, accurate and complete. Updating information in SAM does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(d) * * *

(1) * * *

(i) If a Contractor has legally changed its business name or “doing business as” name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day’s written notification of its intention to—

* * * * *

- 39. Amend section 52.209–7 by revising the date of the provision and removing from paragraph (d) “Management database via <https://www.acquisition.gov>” and adding

“Management, which can be accessed via <https://www.sam.gov>” in its place.

The revision reads as follows:

52.209–7 Information Regarding Responsibility Matters.

* * * * *

Information Regarding Responsibility Matters (Oct 2018)

* * * * *

- 40. Amend section 52.209–9 by revising the date of the clause and removing from paragraph (a) “Management database via <https://www.acquisition.gov>” and adding “Management via <https://www.sam.gov>” in its place.

The revision reads as follows:

52.209–9 Updates of Publicly Available Information Regarding Responsibility Matters.

* * * * *

Updates of Publicly Available Information Regarding Responsibility Matters (Oct 2018)

* * * * *

- 41. Amend section 52.212–1 by—
 - a. Revising the date of provision;
 - b. Removing from paragraph (j) “(SAM) database” and adding “(SAM)” in its place; and
 - c. Removing and reserving paragraph (k).

The revision reads as follows:

52.212–1 Instructions to Offerors—Commercial Items.

* * * * *

Instructions to Offerors—Commercial Items (Oct 2018)

* * * * *

- 42. Amend section 52.212–3 by—
 - a. Revising the date and the introductory text of the provision;
 - b. Revising paragraph (b);
 - c. Removing from paragraph (l) introductory text “the SAM database” and adding “SAM” in its place; and
 - d. Removing from paragraph (t) introductory text “(52.212–1(k))” and adding “(12.301(d)(1))” in its place.

The revisions read as follows:

52.212–3 Offeror Representations and Certifications—Commercial Items.

* * * * *

Offeror Representations and Certifications—Commercial Items (Oct 2018)

The Offeror shall complete only paragraph (b) of this provision if the Offeror has completed the annual representations and certification electronically in the System for Award Management (SAM) accessed through

<https://www.sam.gov>. If the Offeror has not completed the annual representations and certifications electronically, the Offeror shall complete only paragraphs (c) through (u) of this provision.

* * * * *

(b)(1) *Annual Representations and Certifications.* Any changes provided by the Offeror in paragraph (b)(2) of this provision do not automatically change the representations and certifications in SAM.

(2) The offeror has completed the annual representations and certifications electronically in SAM accessed through <http://www.sam.gov>. After reviewing SAM information, the Offeror verifies by submission of this offer that the representations and certifications currently posted electronically at FAR 52.212–3, Offeror Representations and Certifications—Commercial Items, have been entered or updated in the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), at the time this offer is submitted and are incorporated in this offer by reference (see FAR 4.1201), except for paragraphs ____.

[Offeror to identify the applicable paragraphs at (c) through (u) of this provision that the offeror has completed for the purposes of this solicitation only, if any.]

These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted electronically on SAM.]

* * * * *

- 43. Amend section 52.212–4 by revising the date of the clause and removing and reserving paragraph (t).

The revision reads as follows:

52.212–4 Contract Terms and Conditions—Commercial Items.

* * * * *

Contract Terms and Conditions—Commercial Items (Oct 2018)

* * * * *

- 44. Amend section 52.212–5 by—
 - a. Revising the date of the clause and paragraphs (b)(4), (b)(9), (b)(16), (b)(55), (e)(1)(iv), Alternate II heading and introductory text, and paragraph (e)(1)(ii)(D) of Alternate II to read as follows:

52.212-5 Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Items.

* * * * *

Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Items (Oct 2018)

* * * * *

(b) * * *

* * * * *

(4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2018) (Pub. L. 109-282) (31 U.S.C. 6101 note).

* * * * *

(9) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (Oct 2018) (41 U.S.C. 2313).

* * * * *

(16) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)).

* * * * *

(55) 52.232-33, Payment by Electronic Funds Transfer—System for Award Management (Oct 2018) (31 U.S.C. 3332).

* * * * *

(e)(1) * * *

(iv) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$700,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

* * * * *

Alternate II (Oct 2018). As prescribed in 12.301(b)(4)(ii), substitute the following paragraphs (d)(1) and (e)(1) for paragraphs (d)(1) and (e)(1) of the basic clause as follows:

* * * * *

(e)(1) * * *

(ii) * * *

(D) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$700,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

* * * * *

■ 45. Amend section 52.213-4 by revising the date of the clause and paragraphs (a)(2)(viii), (b)(1)(i), and (b)(1)(xix) to read as follows:

52.213-4 Terms and Conditions—Simplified Acquisitions (Other Than Commercial Items).

* * * * *

Terms and Conditions—Simplified Acquisitions (Other Than Commercial Items) (Oct 2018)

(a) * * *

(2) * * *

(viii) 52.244-6, Subcontracts for Commercial Items (Oct 2018).

* * * * *

(b) * * *

(1) * * *

(i) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2018) (Pub. L. 109-282) (31 U.S.C. 6101 note) (Applies to contracts valued at \$30,000 or more).

* * * * *

(xix) 52.232-33, Payment by Electronic Funds Transfer—System for Award Management (Oct 2018) (Applies when the payment will be made by electronic funds transfer (EFT) and the payment office uses the System for Award Management (SAM) as its source of EFT information).

* * * * *

■ 46. Amend section 52.219-8 by revising the date of the clause and removing from paragraph (d)(5) introductory text “database”.

The revision reads as follows:

52.219-8 Utilization of Small Business Concerns.

* * * * *

Utilization of Small Business Concerns (Oct 2018)

* * * * *

■ 47. Amend section 52.232-33 by—

- a. Revising the date of the clause;
- b. Removing from paragraph (b) “(SAM) database” and “the SAM database” and adding “(SAM)” and “SAM” in their places, respectively;
- c. Removing from paragraph (d) “the SAM database” and adding “SAM” in two places; and
- d. Removing from paragraphs (g) and (i) “the SAM database” and adding “SAM” in their places, respectively.

The revision reads as follows:

52.232-33 Payment by Electronic Funds Transfer-System for Award Management.

* * * * *

Payment by Electronic Funds Transfer-System for Award Management (Oct 2018)

* * * * *

■ 48. Amend section 52.244-6 by revising the date of the clause and paragraph (c)(1)(vi) to read as follows:

52.244-6 Subcontracts for Commercial Items.

* * * * *

Subcontracts for Commercial Items (Oct 2018)

* * * * *

(c)(1) * * *

(vi) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)), if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$700,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

* * * * *

[FR Doc. 2018-20706 Filed 9-25-18; 8:45 am]

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 37 and 52

[FAC 2005-101; FAR Case 2018-009; Item II; Docket No. 2018-0009; Sequence No. 1]

RIN 9000-AN70

Federal Acquisition Regulations: One Dollar Coins

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

ACTION: Final rule.

SUMMARY: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the National Defense Authorization Act for Fiscal Year 2018 that provides an exception for business operations conducted by a contractor while performing under a Government contract from the requirement to accept and dispense \$1 coins.

DATES: Effective October 26, 2018.

FOR FURTHER INFORMATION CONTACT: Mr. Curtis E. Glover, Sr., Procurement Analyst, at 202-501-1448 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202-501-4755. Please cite FAC 2005-101, FAR Case 2018-009.

SUPPLEMENTARY INFORMATION: