

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Chapter 1**

[Docket No. FAR–2022–0051, Sequence No. 2]

**Federal Acquisition Regulation;
Federal Acquisition Circular 2022–05;
Introduction**

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

ACTION: Summary presentation of a final 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 (Councils) in this Federal Acquisition Circular (FAC) 2022–05. A companion document, the *Small Entity Compliance Guide* (SECG), follows this FAC.

DATES: For effective date see the separate documents, which follow.

FOR FURTHER INFORMATION CONTACT: Ms. Mahruba Uddowla, Procurement Analyst, at 703–605–2868 or by email at mahruba.uddowla@gsa.gov, for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2022–05, FAR Case 2021–008.

RULE LISTED IN FAC 2022–05

Subject	FAR case
Amendments to the FAR Buy American Act—Requirements	2021–008

ADDRESSES: The FAC, including the SECG, is available at <https://www.regulations.gov>.

SUPPLEMENTARY INFORMATION: A summary for the FAR rule follows. For the actual revisions and/or amendments made by this FAR rule, refer to the specific subject set forth in the document following this summary. FAC 2022–05 amends the FAR as follows:

Amendments to the FAR Buy American Act Requirements (FAR Case 2021–008)

This final rule amends the Federal Acquisition Regulation (FAR) to implement section 8 of E.O. 14005,

Ensuring the Future Is Made in All of America by All of America's Workers. Upon the October 25, 2022, effective date, this final FAR rule changes the domestic content threshold to 60 percent immediately, then to 65 percent for items delivered starting in calendar year 2024, and then to 75 percent for items delivered starting in calendar year 2029. While a supplier that is awarded a contract with a period of performance that spans this schedule of domestic content threshold increases will be required to comply with each increased threshold for the items in the year of delivery, this rule allows for the agency senior procurement executive to apply an alternate domestic content test under which the contractor would be required to comply with the domestic content threshold in place at time of award for the entire life of the contract.

This final rule also creates a fallback threshold that would allow for products and construction material meeting a 55 percent domestic content threshold to qualify as “domestic” under certain circumstances.

In addition, the final rule creates a framework for application of an enhanced price preference for a domestic product/domestic construction material that is considered a critical item or made up of critical components. The list of critical items and critical components, along with the associated enhanced price preference, will be incorporated in the FAR through separate rulemaking.

William F. Clark,

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

Federal Acquisition Circular (FAC) 2022–05 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator of National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained in FAC 2022–05 is effective March 7, 2022 except for FAR Case 2021–008, which is effective October 25, 2022.

John M. Tenaglia,
Principal Director, Defense Pricing and Contracting, Department of Defense.

Jeffrey A. Koses,
Senior Procurement Executive/Deputy CAO, Office of Acquisition Policy, U.S. General Services Administration.

Karla Smith Jackson,
Assistant Administrator for Procurement, Senior Procurement Executive, National Aeronautics and Space Administration.

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DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Parts 13, 25 and 52**

[FAC 2022–05; FAR Case 2021–008, Docket No. 2021–0008, Sequence No. 1]

RIN 9000–AO22

**Federal Acquisition Regulation:
Amendments to the FAR Buy American Act Requirements**

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 an Executive order addressing domestic preferences in Government procurement.

DATES: *Effective:* October 25, 2022.

FOR FURTHER INFORMATION CONTACT: Ms. Mahruba Uddowla, Procurement Analyst, at 703–605–2868 or by email at mahruba.uddowla@gsa.gov, for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2022–05, FAR Case 2021–008.

SUPPLEMENTARY INFORMATION:**I. Background**

In his first week in office, President Biden signed Executive Order (E.O.) 14005, *Ensuring the Future is Made in All of America by All of America's Workers*, launching a whole-of-Government initiative to strengthen the use of Federal procurement to support American manufacturing. With over \$600 billion in annual procurement spending, almost half of which is in manufactured products from helicopter blades to trucks to office furniture, the Federal Government is a major buyer in a number of markets for goods and services and the single largest purchaser of consumer goods in the world. Leveraging that purchasing power to shape markets and accelerate innovation is a key part of the Administration's industrial strategy (<https://www.atlanticcouncil.org/commentary/transcript/brian-deese-on-bidens-vision-for-a-twenty-first-century-american-industrial-strategy/>) to grow the