DEPARTMENT OF DEFENSE
GENERAL SERVICES ADMINISTRATION
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1
[Docket No. FAR 2018–0001, Sequence No. 1]
Federal Acquisition Regulation; Federal Acquisition Circular 2005–97; 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) 2005–97. 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.regulations.gov.

DATES: For effective date see the separate document, which follows.

FOR FURTHER INFORMATION CONTACT: Ms. Cecelia Davis, Procurement Analyst, at 202–219–0202 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–219–0202 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–219–0202 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–219–0202 for clarification of content.

SUPPLEMENTARY INFORMATION: A summary for the FAR rule follows. For the actual revisions and/or amendments made by this FAR Case, refer to the specific item number and subject set forth in the document following this item summary. FAC 2005–97 amends the FAR as follows:

Trade Agreements Thresholds (FAR Case 2018–001)

This final rule amends the Federal Acquisition Regulation to adjust the thresholds for application of the World Trade Organization Government Procurement Agreement and the Free Trade Agreements as determined by the United States Trade Representative, according to predetermined formulae under the agreements.

Dated: January 18, 2018.
William F. Clark,
Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

Federal Acquisition Circular (FAC) 2005–97 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 2005–97 is effective January 24, 2018.

Dated: January 11, 2018.
Shay D. Assad,
Director, Defense Pricing/Defense Procurement and Acquisition Policy

Dated: January 18, 2018.
Jeffrey A. Koses,
Senior Procurement Executive/Deputy CAO, Office of Acquisition Policy, U.S. General Services Administration.

Dated: January 9, 2018.
William P. McNally,
Assistant Administrator, Office of Procurement National Aeronautics and Space Administration.

BILLING CODE 6820–EP–P

DEPARTMENT OF DEFENSE
GENERAL SERVICES ADMINISTRATION
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 22, 25, and 52
[FAC 2005–97; FAR Case 2018–001; Docket No. 2018–0004; Sequence No. 1]

RIN 9000–AN60

Federal Acquisition Regulation; Trade Agreements Thresholds

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 incorporate revised 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: January 24, 2018.

FOR FURTHER INFORMATION CONTACT: Ms. Cecelia L. Davis, Procurement Analyst, at 202–219–0202, for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755. Please cite FAC 2005–97, FAR Case 2018–001.

SUPPLEMENTARY INFORMATION:

I. Background

Approximately every two years, the thresholds for the World Trade Organization Government Procurement Agreement (WTO GPA) and the free trade agreements (FTAs) are adjusted according to predetermined formulae under the agreements. On December 11, 2017 (82 FR 58248), the United States Trade Representative published new procurement thresholds. These thresholds became effective on January 1, 2018. The United States Trade Representative has specified the following new thresholds:

<table>
<thead>
<tr>
<th>Trade agreement</th>
<th>Supply contract (equal to or exceeding)</th>
<th>Service contract (equal to or exceeding)</th>
<th>Construction contract (equal to or exceeding)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WTO GPA</td>
<td>$180,000</td>
<td>$180,000</td>
<td>$6,932,000</td>
</tr>
<tr>
<td>FTAs</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Australia FTA</td>
<td>$80,317</td>
<td>$80,317</td>
<td>$6,932,000</td>
</tr>
<tr>
<td>Bahrain FTA</td>
<td>$180,000</td>
<td>$180,000</td>
<td>$10,441,216</td>
</tr>
</tbody>
</table>
II. Discussion and Analysis

This final rule implements the new thresholds in FAR subpart 25.4, Trade Agreements, and other sections in the FAR that include trade agreements thresholds (i.e., 22.1503, 25.202, 25.603, 25.1101, and 25.1102).

In addition, changes are required to the provision at FAR 52.204–8, Annual Representations and Certifications, and clause at FAR 52.222–19, Child Labor—Cooperation with Authorities and Remedies, with conforming changes to the clause dates in 52.212–5, Contract Terms and Conditions—Simplified Acquisitions, and other sections in the FAR. The revisions do not add any new burdens or impact applicability of clauses and provisions at or below the simplified acquisition threshold, or to commercial items.

V. 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.

VI. Executive Order 13771

This rule is not subject to E.O. 13771, Reducing Regulation and Controlling Regulatory Costs, because this rule is not a significant regulatory action under E.O. 12866.

VII. Regulatory Flexibility Act

The Regulatory Flexibility Act does not apply to this rule, because this final rule does not constitute a significant FAR revision within the meaning of FAR 1.501–1, and 41 U.S.C. 1707 does not require publication for public comment.

VIII. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 35) does apply to this final rule, since the rule affects the prescriptions for use of the certification and information collection requirements in the provisions at 52.225–4 and 52.225–6 and the clauses at FAR 52.225–9, 52.225–11, 52.225–21, and 52.225–23, currently approved under OMB Control Number 0900–0024, entitled “Buy American Act, Trade Agreements, and Duty-Free Entry.” The impact, however, is expected to be negligible, because the threshold changes are in line with inflation and maintain the status quo. As a result, there is no change to the estimated burden.

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

Government procurement.

Dated: January 18, 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 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 51 U.S.C. 20113.

PART 22—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

22.1503 [Amended]

2. Amend section 22.1503 by—

   a. Removing from paragraph (b)(3) “$77,533” and adding “$80,317” in its place; and

   b. Adding a new paragraph (b)(2)(ii) to read as follows:

   (2) (ii) United States requests for the issuance of a determination under section 1101 of the Trade Act shall be for the amount of $50,000.
PART 25—FOREIGN ACQUISITION

25.202 [Amended]

3. Amend section 25.202 by removing from paragraph (c) “$7,358,000” and adding “$6,932,000” in its place.

25.402 General.

(b) * * *

<table>
<thead>
<tr>
<th>Trade agreement</th>
<th>Supply contract (equal to or exceeding)</th>
<th>Service contract (equal to or exceeding)</th>
<th>Construction contract (equal to or exceeding)</th>
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<td>80,317</td>
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<td>6,932,000</td>
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<td>180,000</td>
<td>10,441,216</td>
</tr>
<tr>
<td>Chile FTA</td>
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<td>80,317</td>
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</tr>
<tr>
<td>Colombia FTA</td>
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<td>6,932,000</td>
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<tr>
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<td>80,317</td>
<td>10,441,216</td>
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<tr>
<td>—Mexico</td>
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<td>10,441,216</td>
</tr>
<tr>
<td>—Oman FTA</td>
<td>180,000</td>
<td>180,000</td>
<td>10,441,216</td>
</tr>
<tr>
<td>—Panama FTA</td>
<td>180,000</td>
<td>180,000</td>
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</tr>
<tr>
<td>—Peru FTA</td>
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<td>6,932,000</td>
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</tr>
<tr>
<td>Israeli Trade Act</td>
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</tr>
</tbody>
</table>

25.603 [Amended]

5. Amend section 25.603 by removing from paragraph (c)(1) “$7,358,000” and adding “$6,932,000” in its place.

25.1101 [Amended]

6. Amend section 25.1101 by—

(a) Removing from paragraph (b)(1)(ii)(A) “$191,000;” and adding “$80,317” in its place;

(b) Removing from paragraphs (b)(1)(iii) and (iv) and (b)(2)(iii) and (iv) “$77,533” and adding “$80,317” in its place; and

(c) Removing from paragraphs (c)(1) and (d) “$191,000” and adding “$80,317” in its place.

25.1102 [Amended]

7. Amend section 25.1102 by—

(a) Removing from the introductory text of paragraphs (a) and (c) “$7,358,000” and adding “$6,932,000” in its place;

(b) Removing from paragraph (c)(3) “$7,358,000” and “$10,079,365” and adding “$6,932,000” and “$10,441,216” in their places, respectively; and

(c) Removing from paragraph (d)(3) “$7,864,000” and “$10,079,365” and adding “$6,932,000” and “$10,441,216” in their places, respectively.

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

8. Amend section 52.204–8 by—

(a) Revising the date of the provision; and

(b) Removing from paragraphs (c)(1)(xx)(C) and (D) “$77,533” and adding “$80,317” in its place.

The revision reads as follows:

52.204–8 Annual Representations and Certifications.

Annual Representations and Certifications (Jan 2018)

*(b) * * *

*(1) * * *

(ii) 52.222–19, Child Labor—Cooperation with Authorities and Remedies (Jan 2018) (E.O. 13126) (Applies to contracts for supplies exceeding the micro-purchase threshold).

* * * * *

11. Amend section 52.222–19 by—

(a) Revising the date of the clause;

(b) Removing from paragraph (a)(3) “$77,533” and adding “$80,317” in its place; and

(c) Removing from paragraph (a)(4) “$191,000” and adding “$80,317” in its place.

The revision reads as follows:

52.222–19 Child Labor—Cooperation with Authorities and Remedies.

* * * * *

Child Labor—Cooperation with Authorities and Remedies (Jan 2018)

* * * * *

[FR Doc. 2018–01199 Filed 1–23–18; 8:45 am]

BILLING CODE 6820–EP–P