

IV. Executive Orders 12866 and 13563

E.O. 12866, Regulatory Planning and Review, and E.O. 13563, Improving Regulation and Regulatory Review, 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. The Office of Management and Budget, Office of Information and Regulatory Affairs, has determined that this is not a significant regulatory action as defined under section 3(f) of E.O. 12866 and, therefore, was not subject to review under section 6(b). This rule is not a major rule as defined at 5 U.S.C. 804(2).

V. Executive Order 13771

This rule is not an E.O. 13771 regulatory action, because this rule is not significant under E.O. 12866.

VI. Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under 41 U.S.C. 1707(a)(1) (see section III. of this preamble), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

VII. Paperwork Reduction Act

The rule does not contain any information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 48 CFR Parts 228 and 252

Government procurement.

Jennifer Lee Hawes,

Regulatory Control Officer, Defense Acquisition Regulations System.

Therefore, 48 CFR parts 228 and 252 are amended as follows:

■ 1. The authority citation for 48 CFR parts 228 and 252 continues to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR chapter 1.

PART 228—BONDS AND INSURANCE**228.170 [Removed]**

■ 2. Remove section 228.170.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**252.228–7004 [Removed and Reserved]**

■ 3. Remove and reserve section 252.228–7004.

[FR Doc. 2018–23679 Filed 10–30–18; 8:45 am]

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DEPARTMENT OF DEFENSE**Defense Acquisition Regulations System****48 CFR Parts 236 and 252**

[Docket DARS–2018–0050]

RIN 0750–AK03

Defense Federal Acquisition Regulation Supplement: Repeal of DFARS Clause “Option for Supervision and Inspection Services” (DFARS Case 2018–D041)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to remove a clause that is no longer necessary.

DATES: Effective October 31, 2018.

FOR FURTHER INFORMATION CONTACT: Ms. Carrie Moore, telephone 571–372–6093.

SUPPLEMENTARY INFORMATION:**I. Background**

DoD is amending the DFARS to remove the DFARS clause 252.236–7009, Option for Supervision and Inspection Services, remove the associated clause prescription at DFARS 236.609–70(a)(1), and revise a cross reference in the introductory text to DFARS clause 252.236–7011. DFARS clause 252.236–7009 is used in fixed-price solicitations and contracts for architect-engineering services when the architect may also be required to provide supervision and inspection services during construction. The clause advises contractors that the Government may, at its option, direct the contractor to perform supervision and inspection services for the construction contract. If the need for such services arises, the Government will notify the contractor in writing and the contractor shall proceed

with the services upon receipt of the written notification. A description of the scope of the supervision and inspection services is included as an appendix to the contract.

The need for architect-engineers to perform supervision and inspection services during construction is uncommon. When it is necessary, an option that accurately describes the scope of services can be included in the contract, pursuant to Federal Acquisition Regulation subpart 17.2, Options. Contracting activities can better address these services, to the extent they are needed and the procedures applicable to the requirement, within the scope of a contract. As such, this DFARS clause is unnecessary and can be removed.

The removal of this DFARS clause supports a recommendation from the DoD Regulatory Reform Task Force. On February 24, 2017, the President signed Executive Order (E.O.) 13777, “Enforcing the Regulatory Reform Agenda,” which established a Federal policy “to alleviate unnecessary regulatory burdens” on the American people. In accordance with E.O. 13777, DoD established a Regulatory Reform Task Force to review and validate DoD regulations, including the DFARS. A public notice of the establishment of the DFARS Subgroup to the DoD Regulatory Reform Task Force, for the purpose of reviewing DFARS provisions and clauses, was published in the **Federal Register** at 82 FR 35741 on August 1, 2017, and requested public input. No public comments were received on this clause. Subsequently, the DoD Task Force reviewed the requirements of DFARS clause 252.236–7009, Option for Supervision and Inspection Services, and determined that the DFARS coverage was unnecessary and recommended removal.

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

This rule only removes obsolete DFARS clause 252.236–7009, Option for Supervision and Inspection Services. Therefore, the rule does not impose any new requirements on contracts at or below the simplified acquisition threshold and for commercial items, including commercially available off-the-shelf items.

III. Publication of This Final Rule for Public Comment Is Not Required by Statute

The statute that applies to the publication of the FAR is Office of

Federal Procurement Policy statute (codified at title 41 of the United States Code). Specifically, 41 U.S.C. 1707(a)(1) requires that a procurement policy, regulation, procedure, or form (including an amendment or modification thereof) must be published for public comment if it relates to the expenditure of appropriated funds, and has either a significant effect beyond the internal operating procedures of the agency issuing the policy, regulation, procedure, or form, or has a significant cost or administrative impact on contractors or offerors. This final rule is not required to be published for public comment, because DoD is not issuing a new regulation; rather, this rule merely removes an obsolete requirement from the DFARS.

IV. Executive Orders 12866 and 13563

E.O. 12866, Regulatory Planning and Review, and E.O. 13563, Improving Regulation and Regulatory Review, 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. The Office of Management and Budget, Office of Information and Regulatory Affairs, has determined that this is not a significant regulatory action as defined under section 3(f) of E.O. 12866 and, therefore, was not subject to review under section 6(b). This rule is not a major rule as defined at 5 U.S.C. 804(2).

V. Executive Order 13771

This rule is not an E.O. 13771 regulatory action, because this rule is not significant under E.O. 12866.

VI. Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under 41 U.S.C. 1707(a)(1) (see section III. of this preamble), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

VII. Paperwork Reduction Act

The rule does not contain any information collection requirements that require the approval of the Office of

Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 48 CFR Parts 236 and 252

Government procurement.

Jennifer Lee Hawes,
Regulatory Control Officer, Defense Acquisition Regulations System.

Therefore, 48 CFR parts 236 and 252 are amended as follows:

■ 1. The authority citation for 48 CFR parts 236 and 252 continues to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR chapter 1.

PART 236—CONSTRUCTION AND ARCHITECT—ENGINEER CONTRACTS

236.609–70 [Amended]

- 2. Amend section 236.609–70 by—
- a. In the section heading, removing “and clause”;
- b. Removing paragraph (a); and
- c. Redesignating the introductory text of paragraph (b) as introductory text to the section.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

252.236–7009 [Removed and Reserved]

- 3. Remove and reserve section 252.236–7009.

252.236–7011 [Amended]

- 4. Amend section 252.236–7011, in the introductory text, by removing “236.609–70(b)” and adding “236.609–70” in its place.

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DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 252

[Docket DARS–2018–0051]

RIN 0750–AK34

Defense Federal Acquisition Regulation Supplement: Update of Clause on Section 8(a) Direct Award (DFARS Case 2018–D052)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule to amend the Defense Federal Acquisition

Regulation Supplement (DFARS) to remove an obsolete requirement from a DFARS clause.

DATES: Effective October 31, 2018.

FOR FURTHER INFORMATION CONTACT: Ms. Jennifer D. Johnson, telephone 571–372–6100.

SUPPLEMENTARY INFORMATION:

I. Background

DoD is amending the DFARS to remove an obsolete requirement from the clause at DFARS 252.219–7009, Section 8(a) Direct Award. The clause currently requires 8(a) contractors to obtain written approval from the Small Business Administration (SBA) and the contracting officer prior to subcontracting the performance of any contract requirements. This requirement no longer exists in SBA’s regulations on the 8(a) Business Development Program at 13 CFR part 124.

II. Discussion and Analysis

This rule deletes paragraph (c)(2) of the clause at DFARS 252.219–7009. This paragraph contains the obsolete requirement for an 8(a) contractor to obtain written approval from SBA and the contracting officer prior to subcontracting performance of contract requirements. The remaining paragraphs (c) and (c)(1) are combined into a single paragraph (c). This rule also updates an outdated reference in paragraph (c)(1) and makes other minor editorial changes.

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

This rule revises the clause at DFARS 252.219–7009, Section 8(a) Direct Award. This clause currently applies to solicitations and contracts below the simplified acquisition threshold (SAT) and to the acquisition of commercial items, including commercially available off-the-shelf (COTS) items, as defined at Federal Acquisition Regulation (FAR) 2.101.

DoD is continuing to apply this clause to solicitations and contracts below the SAT and to the acquisition of commercial items, including COTS items. This rule merely removes an obsolete requirement to obtain approval from the contracting officer and SBA prior to subcontracting work under an 8(a) contract. Not applying this guidance to contracts below the SAT and to the acquisition of commercial items, including COTS items, would exclude contracts with 8(a) Program participants that are intended to be