



5001-06-P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 252

[Docket DARS-2019-0012]

RIN 0750-AK06

Defense Federal Acquisition Regulation Supplement: Modification of DFARS Clause "Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns" (DFARS Case 2018-D051)

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 add supplemental contact information for departments identified in an existing DFARS clause.

DATES: Effective **[Insert date of publication in the FEDERAL REGISTER]**.

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

SUPPLEMENTARY INFORMATION:

I. Background

DoD is amending the DFARS to add department phone numbers and websites to the DFARS clause, 252.226-7001, Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns. Included in solicitations and contracts that are for supplies and services exceeding \$500,000 in value, this clause: encourages contractors to give Indian organizations, Indian-owned economic enterprises, and Native Hawaiian small business concerns the maximum practicable opportunity to participate in subcontracts; addresses status representations for these organizations, enterprises, and concerns; provides the name and address of the departments that that address representation matters for these organizations, enterprises, and concerns; and provides the terms and conditions under which incentive payments may be requested under the contract. In an effort to streamline the procurement process and make information more accessible to the contractor, this modification adds phone numbers and websites for both of the departments listed in the clause.

The modification of this DFARS text 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. The DoD Task Force reviewed the requirements of DFARS clause 252.226-7001 and determined that the clause could be modified. 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 about this clause in response to the public notice.

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

This rule provides additional methods with which to contact the departments listed in the clause. This rule does not create any new provisions or clauses or impose any new requirements. This rule does apply to contracts for commercial and commercially available off-the-shelf items, and does not apply to contracts at or below the simplified acquisition threshold.

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

The statute that applies to the publication of the Federal Acquisition Regulation (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 provides additional methods with which to contact the departments listed in a DFARS clause.

IV. Executive Orders 12866 and 13563

Executive Order (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 subject to E.O. 13771, because this rule is not a significant regulatory action under E.O. 12866.

V. 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.

VI. 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 Part 252

Government procurement.

Jennifer Lee Hawes,

Regulatory Control Officer, Defense Acquisition Regulations System.

Therefore, 48 CFR part 252 is amended as follows:

PART 252 SOLICITATION PROVISIONS AND CONTRACT CLAUSES

1. The authority citation for part 252 continues to read as follows:

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

2. Amend section 252.226-7001 by:

a. In the clause heading, removing the date "(SEP 2004)" and adding "(APR 2019)" in its place; and

b. Revising paragraph (d).

The revision reads as follows:

252.226-7001 Utilization of Indian Organizations, Indian-owned Economic Enterprises, and Native Hawaiian Small Business Concerns.

* * * * *

(d) In the event of a challenge to the representation of a subcontractor, the Contracting Officer will refer the matter to-

(1)(i) For matters relating to Indian organizations or Indian-owned economic enterprises:

U.S. Department of the Interior,
Bureau of Indian Affairs,
Attn: Bureau Procurement Chief,
12220 Sunrise Valley Drive,

Reston, VA 20191

Phone: 703-390-6433

Website: <https://www.bia.gov/>

(ii) The BIA will determine the eligibility and will notify the Contracting Officer.

(2)(i) For matters relating to Native Hawaiian small business concerns:

Department of Hawaiian Home Lands

PO Box 1879

Honolulu, HI 96805.

Phone: 808-620-9500

Website: <http://dhhl.hawaii.gov/>

(ii) The Department of Hawaiian Home Lands will determine the eligibility and will notify the Contracting Officer.

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