



5001-06-P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 202

[Docket DARS-2019-0068]

RIN 0750-AK17

Defense Federal Acquisition Regulation Supplement: Definition of "Micro-purchase Threshold" (DFARS Case 2018-D056)

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 to implement a section of the National Defense Authorization Act for Fiscal Year 2019 that increases the micro-purchase threshold for DoD from \$5,000 to \$10,000 and repeals a section in the United States Code.

DATES: Effective August 31, 2020.

FOR FURTHER INFORMATION CONTACT: Ms. Kimberly Ziegler, telephone 571-372-6095.

SUPPLEMENTARY INFORMATION:

I. Background

DoD is amending the DFARS to remove the definition of "micro-purchase threshold" at DFARS 202.101. Section 821 of the National Defense Authorization Act for Fiscal Year 2019 amends

10 U.S.C. 2338 by increasing the micro-purchase threshold for DoD from \$5,000 to \$10,000 and repealing 10 U.S.C. 2339. An exception to the \$5,000 micro-purchase threshold is provided at 10 U.S.C. 2339 for basic research and activities of DoD science and technology reinvention laboratories with a micro-purchase threshold of \$10,000 for those activities. The DFARS definition at 202.101, which includes a micro-purchase threshold of \$5,000 for DoD with the exception of \$10,000 for basic research and activities of DoD science and technology reinvention laboratories, is now obsolete. The Federal Acquisition Regulation (FAR) definition of micro-purchase threshold now applies to DoD, so the outdated DFARS coverage is being removed.

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 the obsolete DFARS "micro-purchase threshold" definition at 202.101. 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 the 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 definition from the DFARS.

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 (OIRA), 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 Part 202

Government procurement.

Jennifer Lee Hawes,

Regulatory Control Officer, Defense Acquisition Regulations
System.

Therefore, 48 CFR part 202 is amended as follows:

PART 202—DEFINITIONS OF WORDS AND TERMS

1. The authority citation for 48 CFR part 202 continues to read as follows:

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

202.101 [Amended]

2. Amend section 202.101 by removing the definition of “Micro-purchase threshold”.

[FR Doc. 2020-18634 Filed: 8/28/2020 8:45 am; Publication Date: 8/31/2020]