



OFFICE OF MANAGEMENT AND BUDGET

Office of Federal Procurement Policy

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Part 52

[FAC 2025-05, FAR Case 2023-018; Item I; Docket No. FAR-2023-0018; Sequence No. 1]

RIN 9000-AO66

Federal Acquisition Regulation: Clarification of System for Award Management Preaward Registration Requirements

AGENCY: Office of Federal Procurement Policy (OFPP), Office of Management and Budget; Department of Defense (DoD); General Services Administration (GSA); and National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: OFPP, DoD, GSA, and NASA (collectively referred to as the Federal Acquisition Regulatory Council, or FAR Council) have adopted as final, without changes, an interim rule that amended the Federal Acquisition Regulation (FAR) to clarify System for Award Management preaward registration requirements.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact *FARpolicy@gsa.gov* or call 202-969-4075. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202-501-4755 or *GSARegSec@gsa.gov*. Please cite FAC 2025-05, FAR Case 2023-018.

SUPPLEMENTARY INFORMATION:

I. Background

DoD, GSA, and NASA published an interim rule at 89 FR 89472 on November 12, 2024, to revise the solicitation provision at FAR 52.204-7, System for Award Management, to clarify System for Award Management (SAM) preaward registration requirements in paragraph (b)(1) of the provision. The interim rule clarified that the offeror must be registered at time of offer submission and at time of contract award but would not be required to be registered in between those two points in time. For further details please see the interim rule. Five respondents submitted comments on the interim rule.

II. Discussion and Analysis

The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (the Councils) reviewed the public comments in the development of the final rule. A discussion of the comments is provided as follows; however, no changes were made to the rule because of those comments.

A. *Summary of significant changes:* There are no significant changes from the interim rule.

B. *Analysis of public comments:*

Comment: A respondent expressed a preference for contractor registration to only be at the time of award, versus at offer submission and award. The respondent noted concern for small businesses and new entrants who may not be aware of the registration requirement until responding to a specific solicitation and having comparatively limited time to become registered.

Response: The Councils appreciate and share the respondent's interest in supporting accessibility to the Federal contracting marketplace. This rule does not impose a new requirement and does not introduce any impediment for business. It clarifies that offerors are not required to be registered continuously between offer submission and contract award. It decreases burden from current interpretations of the preaward requirement. A previous final rule published in the Federal Register at 83 FR 48691 on September 26, 2018, addressed the requirement for registration at the time of offer submission.

Comment: A respondent expressed opposition to the rule, stating that if an entity chooses to engage in business with the Government, it is incumbent upon them to maintain their registration. The respondent caveated that

sentiment with an exception for lapses due to Government fault.

Response: The Councils appreciate the respondent's perspective and concur with the general sentiment that it is an entity's responsibility to manage registration validity. The interim rule published in the Federal Register at 89 FR 89472 on November 12, 2024, references the continuous, active registration as being the anticipated normal state expected of offerors and contractors conducting business with the Federal Government. However, the Councils found several challenges with the interpretation of an uninterrupted, continuous registration during the entirety of the preaward period with failure to do so rendering an offeror ineligible for award. Those challenges were discussed in the interim rule published at 89 FR 89472 on November 12, 2024.

Comment: A couple of respondents provided comments with no clear relationship to the rule.

Response: These comments are outside the scope of this FAR rule.

Comment: A respondent included an excerpt of text from the interim rule published in the Federal Register at 89 FR 89472 on November 12, 2024, but did not include a recommendation or question.

Response: No response necessary.

III. Applicability to Contracts at or Below the Simplified Acquisition Threshold (SAT) and for Commercial Products (Including Commercially Available Off-the-Shelf (COTS) Items) or for Commercial Services

This rule amends the provision at FAR 52.204-7, System for Award Management. However, this rule does not impose any new requirements on contracts at or below the SAT, for commercial products (including COTS items), or for commercial services. The provision continues to apply to acquisitions at or below the SAT, acquisitions for commercial products (including COTS items), and commercial services.

IV. Expected Impact of the Rule

This rule is expected to benefit both the Government and industry by clarifying preaward registration requirements. The clarification is expected to mitigate the risk of litigation and mission delays.

V. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess 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.

VI. Executive Order 14192

This rule is neither a regulatory nor a deregulatory action for purposes of E.O. 14192, Unleashing Prosperity Through Deregulation. This final rule finalizes the interim rule without change and, therefore, neither increases nor decreases the cost of the interim rule.

VII. Congressional Review Act

Pursuant to the Congressional Review Act, the FAR Council will send this rule to each House of the Congress and to the Comptroller General of the United States. The Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget has determined that this rule does not meet the definition in 5 U.S.C. 804(2).

VIII. Regulatory Flexibility Act

The FAR Council has prepared a Final Regulatory Flexibility Analysis (FRFA) consistent with the Regulatory Flexibility Act, 5 U.S.C. 601-612.

1. Statement of the need for, and the objectives of, the rule.

The Office of Federal Procurement Policy (OFPP), the Department of Defense (DoD), the General Services Administration (GSA), and the National Aeronautics and Space Administration (NASA) (collectively referred to as the Federal Acquisition Regulatory Council, or FAR Council) are amending the Federal Acquisition Regulation (FAR) to clarify System for Award Management (SAM) preaward registration requirements. The interim rule changed the provision at FAR 52.204-7, System for Award Management, to clarify that an offeror must be registered at time of offer submission and at time of contract award but would not be required to be registered in between those two points in time.

The current language has led to interpretations that have disrupted Government procurements and resulted in lost business opportunities for some companies, including small businesses.

2. *Statement of the significant issues raised by the public comments in response to the initial regulatory flexibility analysis, a statement of the assessment of the agency of such issues, and a statement of any changes made to the rules as a result of such comments.*

There were no significant issues raised by the public in response to the Initial Regulatory Flexibility Analysis provided in the interim rule.

3. *Description of and an estimate of the number of small entities to which the rule will apply.*

This final rule impacts all entities that do business with the Federal Government, including the approximately 400,000 small business registrants in the System for Award Management.

4. *Description of projected reporting, recordkeeping, and other compliance requirements of the rule.*

The final rule does not impose any new reporting, recordkeeping, or other compliance requirements for small entities.

5. *Description of the steps the agency has taken to minimize the significant economic impact on small entities consistent with the stated objectives of applicable statutes.*

There are no known significant alternative approaches to the final rule, and no further steps available to minimize impact on small entities - there is no significant economic impact on them.

Interested parties may obtain a copy of the FRFA from the Regulatory Secretariat Division. The Regulatory Secretariat Division has submitted a copy of the FRFA to the Chief Counsel for Advocacy of the Small Business Administration.

IX. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501-3521) applies to the information collection described in this rule; however, these changes to the FAR do not impose additional information collection requirements to the paperwork burden previously approved under Office of

Management Budget Control Number 9000-0189, Certain
Federal Acquisition Regulation Part 4 Requirements.

List of Subjects in 48 CFR Part 52

Government procurement.

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Interim Rule Adopted as Final Without Change

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

Accordingly, the interim rule amending 48 CFR part 52, which published in the *Federal Register* at 89 FR 89472 on November 12, 2024, is adopted as a final rule without change.

[FR Doc. 2025-14990 Filed: 8/6/2025 8:45 am; Publication Date: 8/7/2025]