

Dated: June 4, 1996.  
Edward C. Loeb,  
*Director, Federal Acquisition Policy Division.*  
[FR Doc. 96-14539 Filed 6-19-96; 8:45 am]  
BILLING CODE 6820-EP-P

#### 48 CFR Part 37

[FAC 90-39; FAR Case 91-106; Item XXV]

RIN 9000-AF31

#### Federal Acquisition Regulation; Child Care Services

**AGENCIES:** Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Interim rule adopted as final.

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed to convert the interim rule published in the Federal Register at 59 FR 67050, December 28, 1994, to a final rule. The rule amends the Federal Acquisition Regulation (FAR) to add a definition of "child care services" and to require contracting officers to ensure that contracts for child care services include requirements for criminal history background checks of employees in accordance with 42 U.S.C. 13041. This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

**EFFECTIVE DATE:** June 20, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. Linda Klein at (202) 501-3775 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 91-106.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This rule implements Subtitle E, section 231 of the Crime Control Act of 1990 (Pub. L. 101-647), codified at 42 U.S.C. 13041, as amended by section 1094 of the Fiscal Year 1992 Defense Authorization Act (Public Law 102-190). The effective date for compliance with Public Law 101-647 was May 29, 1991. Public Law 102-190 was effective upon enactment on December 5, 1991.

In part, section 231 of Public Law 101-647 requires that child care employees, hired to provide child care services at a facility operated by the Government or under contract with the Government, undergo a criminal history

background check. The statute broadly defines "child care services" as child protective services (including the investigation of child abuse and neglect reports), social services, health and mental health care, child day care, education (whether or not directly involved in teaching), foster care, residential care, recreational or rehabilitative programs, and detention, correctional, or treatment services. Subsequently, section 1094 of Public Law 102-190 amended 42 U.S.C. 13041 to provide for the provisional supervised employment of child care employees prior to the completion of the required criminal history background check and specified additional safety measures for Federal child care service facilities.

##### B. Regulatory Flexibility Act

Under the interim rule, because Subtitle E, Section 231 of the Crime Control Act of 1990, Public Law 101-647 (42 U.S.C. 13041), requires child care employees hired under contract to undergo a criminal history background check, an Initial Regulatory Flexibility Act Analysis was prepared. No comments were received.

The Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, applies to this final rule and a Final Regulatory Flexibility Analysis (FRFA) has been prepared and will be provided to the Chief Counsel for Advocacy for the Small Business Administration. A copy of the FRFA may be obtained from the FAR Secretariat.

##### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose recordkeeping or information collection requirements, or collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

##### List of Subjects in 48 CFR Part 37

Government procurement.

Interim Rule Adopted as Final Without Change

Accordingly, the interim rule amending 48 CFR Part 37, which was published at 59 FR 67050, December 28, 1994 (FAC 90-23, Item XXVII) is adopted as a final rule without change.

The authority citation for 48 CFR Part 37 continues to read as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

Dated: June 4, 1996.  
Edward C. Loeb,  
*Director, Federal Acquisition Policy Division.*  
[FR Doc. 96-14540 Filed 6-19-96; 8:45 am]  
BILLING CODE 6820-EP-P

#### 48 CFR Parts 42 and 52

[FAC 90-39; FAR Case 95-009; Item XXVII]

RIN 9000-AG57

#### Federal Acquisition Regulation; Quick-Closeout Procedures

**AGENCIES:** Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Final rule.

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule to amend the Federal Acquisition Regulation (FAR) to ensure maximum use of the quick-closeout procedures. This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

**EFFECTIVE DATE:** August 19, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. Linda Klein at (202) 501-3775 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 95-009.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This final rule amends FAR 42.708, Quick-closeout procedure, the clause at FAR 52.216-7, Allowable Cost and Payment, and the clause at FAR 52.216-13, Allowable Cost and Payment—Facilities, to ease the restrictions and maximize the use of the quick-closeout procedure. This rule was based on the recommendations of the Interagency Process Action Team (PAT) sponsored by the Air Force Materiel Command. The PAT's rationale was that, by raising the dollar limitation of quick-closeout procedures to those contracts with total unsettled indirect costs not exceeding \$1 million in lieu of \$500,000, the number of contracts which could be closed using quick-closeout procedures would increase. Use of this procedure would benefit contractors by allowing them to invoice earlier and avoid the administrative costs which would otherwise be incurred for tracking these

contracts until final indirect cost rates are negotiated. In addition, the use of quick-closeout procedures is voluntary on the part of the contractor to ensure that the contractor does not suffer any loss. The final rule (1) revises FAR 42.708(a) by substituting the word "shall" for "may"; (2) raises the limitation in FAR 42.708(a)(2)(i) for total unsettled indirect costs allocable to any one contract from \$500,000 to \$1 million; and (3) revises FAR 42.708(a)(2)(ii) to permit the contracting officer to waive the 15 percent restriction based upon a risk assessment that considers contractor's accounting, estimating, and purchasing systems; other concerns of the cognizant contract auditors; and any other pertinent information. Paragraph (f) of the clause at FAR 52.216-7 and paragraph (e) of the clause at 52.216-13 have also been revised to be consistent with the revisions to 42.708 as outlined above.

A proposed rule was published in the Federal Register on July 25, 1995 (60 FR 38196). Five comments from two sources were received in response to the proposed rule. All comments were considered in the development of the final rule.

#### B. Regulatory Flexibility Act

The Department of Defense, the General Services Administration, and the National Aeronautics and Space Administration certify that this final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because most contracts awarded to small business are awarded on the basis of a firm-fixed price, and settlement of final indirect cost rates is, therefore, not an issue. No comments were received on the impact of this rule on small entities during the public comment period.

#### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose recordkeeping or information collection requirements, or collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 42 and 52

Government procurement.

Dated: June 4, 1996.  
Edward C. Loeb,  
Director, Federal Acquisition Policy Division.

Therefore, 48 CFR Parts 42 and 52 are amended as set forth below:

1. The authority citation for 48 CFR Parts 42 and 52 continues to read as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

#### PART 42—CONTRACT ADMINISTRATION

2. Section 42.708 is amended in the introductory text of paragraph (a) by removing "may" and inserting "shall"; and by revising paragraph (a)(2) (i) and (ii) to read as follows:

##### 42.708 Quick-closeout procedure.

- (a) \* \* \*  
(2) \* \* \*

(i) The total unsettled indirect cost to be allocated to any one contract does not exceed \$1,000,000; and

(ii) Unless otherwise provided in agency procedures, the cumulative unsettled indirect costs to be allocated to one or more contracts in a single fiscal year do not exceed 15 percent of the estimated, total unsettled indirect costs allocable to cost-type contracts for that fiscal year. The contracting officer may waive the 15 percent restriction based upon a risk assessment that considers the contractor's accounting, estimating, and purchasing systems; other concerns of the cognizant contract auditors; and any other pertinent information; and

\* \* \* \* \*

#### PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

3. Section 52.216-7 is amended by revising the date of the clause and paragraph (f) to read as follows:

##### 52.216-7 Allowable Cost and Payment.

\* \* \* \* \*

ALLOWABLE COST AND PAYMENT (AUG 1996)

\* \* \* \* \*

(f) *Quick-closeout procedures.* Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

\* \* \* \* \*

4. Section 52.216-13 is amended by revising the introductory paragraph, the date in the clause heading, and paragraph (e) to read as follows:

##### 52.216-13 Allowable Cost and Payment—Facilities.

As prescribed in 16.307(g), insert the following clause:

ALLOWABLE COST AND PAYMENT—FACILITIES (AUG 1996)

\* \* \* \* \*

(e) *Quick-closeout procedures.* Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

\* \* \* \* \*

[FR Doc. 96-14541 Filed 6-19-96; 8:45 am]

BILLING CODE 6820-EP-P

#### 48 CFR Part 46

[FAC 90-39; FAR Case 92-031; Item XXVII]

#### RIN 9000-AG06

#### Federal Acquisition Regulation; Quality Assurance Actions—Electronic Screening

**AGENCIES:** Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Final rule.

**SUMMARY:** The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule to amend the Federal Acquisition Regulation (FAR) to include definitions of the terms "latent defect" and "patent defect." This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

**EFFECTIVE DATE:** August 19, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. Linda Klein at (202) 501-3775 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 92-031.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

On June 8, 1992, the Department of Defense Inspector General issued Audit Report 92-099, Quality Assurance Actions Resulting from Electronic Component Screening, which included a recommendation that the Defense FAR Supplement be revised to include definitions of the terms "latent defect" and "patent defect." Since both terms are used in the FAR, Part 46 of the FAR is being revised to include uniform definitions for use by all acquiring agencies. A proposed rule was published in the Federal Register at 59 FR 46386 on September 8, 1994. After evaluation of public comments, the Councils agreed to convert the proposed rule to a final rule without change.