

DoD. Such entities will no longer need to track the origin of components to determine if an information technology product complies with Buy American Act requirements. As a result, manufacturers of domestic components of information technology products may face increased competition from manufacturers of foreign components. There are no significant alternatives to the proposed rule that would accomplish the objectives of the applicable statutes.

A copy of the analysis may be obtained from the point of contact specified herein. DoD invites comments from small businesses and other interested parties. DoD also will consider comments from small entities concerning the affected DFARS subparts in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 2005–D011.

### C. Paperwork Reduction Act

The proposed rule will reduce the information collection requirements that have been approved by the Office of Management and Budget, under Clearance Number 0704–0229, for use through May 31, 2007. Under this clearance, 36,175 annual burden hours have been approved for the provision at DFARS 252.225–7000, Buy American Act–Balance of Payments Program Certificate; and 1,000 annual burden hours have been approved for the provision at DFARS 252.225–7035, Buy American Act–Free Trade Agreements–Balance of Payments Program Certificate. DoD estimates that the proposed rule will result in a 5 percent reduction in the burden hours for the provision at DFARS 252.225–7000 (1,800 hours) and a 50 percent reduction in the burden hours for the provision at DFARS 252.225–7035 (500 hours).

### List of Subjects in 48 CFR Part 225

Government procurement.

**Michele P. Peterson,**

*Editor, Defense Acquisition Regulations System.*

Therefore, 48 CFR part 225 is proposed to be amended as follows:

### PART 225—FOREIGN ACQUISITION

1. The authority citation for 48 CFR part 225 continues to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

2. Section 225.1101 is amended by revising paragraph (2)(iii), paragraph (10)(i) introductory text, and paragraph (10)(ii) to read as follows:

#### 225.1101 Acquisition of supplies.

\* \* \* \* \*

(2) \* \* \*

(iii) An exception to the Buy American Act or Balance of Payments Program applies (see FAR 25.103, 225.103, and 225.7501); or

\* \* \* \* \*

(10)(i) Except as provided in paragraph (10)(ii) of this section, use the clause at 252.225–7036, Buy American Act—Free Trade Agreements—Balance of Payments Program, instead of the clause at FAR 52.225–3, Buy American Act—Free Trade Agreements—Israeli Trade Act, in solicitations and contracts for the items listed at 225.401–70, when the estimated value equals or exceeds \$25,000, but is less than \$193,000, and a Free Trade Agreement applies to the acquisition.

\* \* \* \* \*

(ii) Do not use the clause if—

(A) Purchase from foreign sources is restricted (see 225.401(a)(2)), unless the contracting officer anticipates a waiver of the restriction; or

(B) Acquiring information technology that is a commercial item, using fiscal year 2004 or subsequent funds (Section 535 of Division F of the Consolidated Appropriations Act, 2004 (Pub. L. 108–199), and the same provision in subsequent appropriations acts).

\* \* \* \* \*

3. Section 225.7501 is amended by revising paragraphs (a)(2)(iv) and (v) and adding paragraph (a)(2)(vi) to read as follows:

#### 225.7501 Policy.

\* \* \* \* \*

(a) \* \* \*

(2) \* \* \*

(iv) An industrial gas;

(v) A brand drug specified by the Defense Medical Materiel Board; or

(vi) Information technology that is a commercial item, using fiscal year 2004 or subsequent funds (Section 535 of Division F of the Consolidated Appropriations Act, 2004 (Pub. L. 108–199), and the same provision in subsequent appropriations acts);

\* \* \* \* \*

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**BILLING CODE 5001–08–P**

## DEPARTMENT OF DEFENSE

### 48 CFR Parts 225 and 252

**RIN 0750–AF22**

### Defense Acquisition Regulations System; Defense Federal Acquisition Regulation Supplement; Definitions of Component and Domestic Manufacture (DFARS Case 2005–D010)

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

**ACTION:** Proposed rule with request for comments.

**SUMMARY:** DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to clarify the definitions of “component” and “domestic manufacture” as they relate to policy on foreign acquisition.

**DATES:** Comments on the proposed rule should be submitted in writing to the address shown below on or before June 12, 2006 to be considered in the formation of the final rule.

**ADDRESSES:** You may submit comments, identified by DFARS Case 2005–D010, using any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [dfars@osd.mil](mailto:dfars@osd.mil). Include DFARS Case 2005–D010 in the subject line of the message.
- Fax: (703) 602–0350.
- Mail: Defense Acquisition Regulations System, Attn: Ms. Amy Williams, OUSD (AT&L) DPAP (DARS), IMD 3C132, 3062 Defense Pentagon, Washington, DC 20301–3062.

• Hand Delivery/Courier: Defense Acquisition Regulations System, Crystal Square 4, Suite 200A, 241 18th Street, Arlington, VA 22202–3402.

Comments received generally will be posted without change to <http://www.regulations.gov>, including any personal information provided.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amy Williams, (703) 602–0328.

### SUPPLEMENTARY INFORMATION:

#### A. Background

This proposed rule amends DFARS Part 225 and associated provisions and clauses to clarify the distinction between foreign acquisition policies that apply only to top-level components of end products and those that apply to both top-level and lower-tier components of end products. As used in this background discussion, “top-level components” are those components that are incorporated directly into the end product; and “lower-tier components”

are components that are incorporated into a component of the end product.

The general definition of "component" in FAR 2.101 is "any item supplied to the Government as part of an end item or of another component." Therefore, for general use, the term includes both top-level components and lower-tier components. For purposes of determining whether a product is a domestic end product under the Buy American Act or the Balance of Payments Program, the term "component" is defined in FAR 25.003 to include only "an article, material, or supply incorporated directly into an end product or construction material" (i.e., only top-level components). This definition would also be applicable to any other situation in which evaluation of the end product is based on the value of the components, similar to that under the Buy American Act (e.g., to determine a qualifying country end product or whether anchor chain is a domestic end product).

In broadly applying these concepts to DFARS Part 225, "component" has been defined to apply only to top-level components, except in Subpart 225.70, where the term "component" includes components at all tiers. However, there are some requirements of Part 225 other than those in 225.70 that are not based on or are not similar to the Buy American Act, and there are some requirements in 225.70 that should be treated as similar to the Buy American Act.

Therefore, the definitions of "component" included in the proposed rule reflect the correct applicability of foreign acquisition policies as follows:

- 225.900–70 and 252.225–7013, Duty-Free Entry—Duty-free entry is not related to evaluation of domestic products under the Buy American Act and should apply to qualifying country components at any tier.
  - 252.225–7019, Restriction on Anchor and Mooring Chain—The requirement that the cost of components manufactured in the United States exceed 50 percent of the total cost of components is similar to the Buy American Act component test, in which only top-level components are considered. Therefore, the definition restricting application to top-level components should apply.
  - 252.225–7025, Restriction on Acquisition of Forgings—The requirement to acquire forging items that are of domestic manufacture applies to any forging item, whether purchased as an end item or as a component at any tier.
- In addition, the proposed rule eliminates references to the DoD

Industrial Preparedness Production Planning Program, at 225.7005–1 and in the definition of "domestic manufacture" at 252.225–7025, since DoD no longer has an Industrial Preparedness Production Planning Program.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

#### B. Regulatory Flexibility Act

DoD does not expect this rule to 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 the proposed rule updates and clarifies DFARS terminology, but makes no significant change to DoD acquisition policy. Therefore, DoD has not performed an initial regulatory flexibility analysis. DoD invites comments from small businesses and other interested parties. DoD also will consider comments from small entities concerning the affected DFARS subparts in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 2005–D010.

#### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply, because the rule does not impose any information collection requirements that 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 225 and 252

Government procurement.

**Michele P. Peterson,**  
*Editor, Defense Acquisition Regulations System.*

Therefore, 48 CFR parts 225 and 252 are proposed to be amended as follows:

1. The authority citation for 48 CFR parts 225 and 252 continues to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

#### PART 225—FOREIGN ACQUISITION

2. Section 225.900–70 is added to read as follows:

##### 225.900–70 Definition.

*Component*, as used in this subpart, means any item supplied to the Government as part of an end product or of another component.

3. Section 225.7001 is amended as follows:

a. By revising paragraph (b);

b. By redesignating paragraphs (c) and (d) as paragraphs (d) and (e) respectively; and

c. By adding a new paragraph (c) to read as follows:

##### 225.7001 Definitions.

\* \* \* \* \*

(b) *Component*, other than bearing components, is defined in the clauses at 252.225–7012, Preference for Certain Domestic Commodities, and 252.225–7016, Restriction on Acquisition of Ball and Roller Bearings, except that for use in 225.7007, the term has the meaning given in the clause at 252.225–7019, Restriction on Acquisition of Anchor and Mooring Chain.

(c) *End product* is defined in the clause at 252.225–7012, Preference for Certain Domestic Commodities.

\* \* \* \* \*

##### 225.7005–1 [Amended]

4. Section 225.7005–1 is amended by removing paragraph (a) and redesignating paragraphs (b) and (c) as paragraphs (a) and (b) respectively.

5. Section 225.7101 is revised to read as follows:

##### 225.7101 Definitions.

*Component* and *domestic manufacture*, as used in this subpart, are defined in the clause at 252.225–7025, Restriction on Acquisition of Forgings.

#### PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

6. Section 252.225–7000 is amended by revising the clause date and paragraph (a) to read as follows:

##### 252.225–7000 Buy American Act—Balance of Payments Program Certificate.

\* \* \* \* \*

Buy American Act—Balance of Payments Program Certificate (XXX 2006)

(a) *Definitions. Component, domestic end product, foreign end product, qualifying country, and qualifying country end product* have the meanings given in the Buy American Act and Balance of Payments Program clause of this solicitation.

\* \* \* \* \*

7. Section 252.225–7013 is amended as follows:

- a. By revising the clause date;
- b. By redesignating paragraphs (a)(1) through (3) as paragraphs (a)(2) through (4) respectively; and
- c. By adding a new paragraph (a)(1) to read as follows:

**252.225–7013 Duty-Free Entry.**

\* \* \* \* \*

**Duty-Free Entry (XXX 2006)**

(a) \* \* \*

(1) *Component* means any item supplied to the Government as part of an end product or of another component.

\* \* \* \* \*

8. Section 252.225–7019 is amended as follows:

- a. By revising the clause date;
- b. By redesignating paragraphs (a) through (c) as paragraphs (b) through (d) respectively;
- c. By adding a new paragraph (a); and
- d. By revising newly designated paragraph (d) to read as follows:

**252.225–7019 Restriction on Acquisition of Anchor and Mooring Chain.**

\* \* \* \* \*

Restriction on Acquisition of Anchor and Mooring Chain (XXX 2006)

(a) *Definition. Component*, as used in this clause, means an article, material, or supply incorporated directly into an end product or construction material.

\* \* \* \* \*

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts for items containing welded shipboard anchor and mooring chain, four inches or less in diameter.

9. Section 252.225–7025 is amended as follows:

- a. By revising the clause date;
- b. By redesignating paragraphs (a)(1) and (2) as paragraphs (a)(2) and (3) respectively;
- c. By adding a new paragraph (a)(1); and
- d. By revising newly designated paragraph (a)(2) and *paragraph (b) to read as follows:*

**252.225–7025 Restriction on Acquisition of Forgings.**

\* \* \* \* \*

Restriction on Acquisition of Forgings (XXX 2006)

(a) \* \* \*

(1) *Component* means any item supplied to the Government as part of an end product or of another component.

(2) *Domestic manufacture* means manufactured in the United States, its outlying areas, or Canada.

\* \* \* \* \*

(b) End products and their components delivered under this contract shall contain forging items that are of domestic manufacture only.

\* \* \* \* \*

10. Section 252.225–7035 is amended by revising the clause date and paragraph (a) to read as follows:

**252.225–7035 Buy American Act—Free Trade Agreements—Balance of Payments Program Certificate.**

\* \* \* \* \*

Buy American Act—Free Trade Agreements—Balance of Payments Program Certificate (XXX 2006)

(a) *Definitions. Component, domestic end product, end product of Australia, Canada, Chile, Mexico, or Singapore, foreign end product, qualifying country end product, and United States*, as used in this provision, have the meanings given in the Buy American Act—Free Trade Agreements—Balance of Payments Program clause of this solicitation.

\* \* \* \* \*

[FR Doc. E6–5282 Filed 4–11–06; 8:45 am]

BILLING CODE 5001–08–P

**DEPARTMENT OF THE INTERIOR****Fish and Wildlife Service****50 CFR Part 91****RIN 1018–AU56****Revision of Federal Duck Stamp Contest Regulations**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Proposed rule.

**SUMMARY:** We, the Fish and Wildlife Service (Service, or we), propose to revise the regulations governing the annual Migratory Bird Hunting and Conservation Stamp Contest [also known as the Federal Duck Stamp Contest (contest)]. Our proposed amendments would raise the contest entry fee by \$25, to \$125; update contest opening and entry deadline dates, locations, and mail and Internet site information; specify penalties for contestants who contact judges or copy designs from the Internet; relieve restrictions on our ability to announce judges' names; clarify ambiguous language in our regulations concerning matting of entries and minimum age of entrants; and update or correct technical advising for the contest, the common names and spelling of species on our list of contest design subjects, and minor grammar errors.

**DATES:** To ensure our consideration, we must receive your comments on this proposal by May 12, 2006.

**ADDRESSES:** You may submit comments by any one of the following methods:

1. Federal Duck Stamp Web site: <http://www.fws.gov/duckstamps>. Follow the instructions for submitting comments.

2. E-mail: [duckstamps@fws.gov](mailto:duckstamps@fws.gov).

3. Fax: 703–358–2009 to Chief, Federal Duck Stamp Office.

4. U.S. Mail: Chief, Federal Duck Stamp Office, U.S. Fish and Wildlife Service, 4401 North Fairfax Drive, Mail Stop MBSP–4070, Arlington, VA 22203–1622.

5. Hand Delivery: Federal Duck Stamp Office, U.S. Fish and Wildlife Service, 4501 North Fairfax Drive, Room 4070, Arlington, VA.

6. Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

For more information on requirements for submitting or viewing comments, see “Public Comments Solicited” under

**SUPPLEMENTARY INFORMATION.****FOR FURTHER INFORMATION CONTACT:**

Patricia Fisher, Chief, Federal Duck Stamp Office, (703) 358–2000 (phone), [duckstamps@fws.gov](mailto:duckstamps@fws.gov) (e-mail), or (703) 358–2009 (fax).

**SUPPLEMENTARY INFORMATION:** We propose to revise the regulations governing the annual Migratory Bird Hunting and Conservation Stamp Contest [also known as the Federal Duck Stamp Contest (contest)]. Our proposed amendments would raise the contest entry fee by \$25, to \$125; update contest opening and entry deadline dates, locations, and mail and Internet site information, so that our regulations would be brought up to date with our current and new practices. They would also specify penalties for contestants who contact judges or copy designs from the Internet; relieve restrictions on our ability to announce judges' names; clarify ambiguous language in our regulations concerning matting of entries and minimum age of entrants; and update or correct contest technical advisor information, the treatment and spelling of species' common names on our contest design subject list, and minor grammar errors. We do not believe the proposed changes have much impact on the body of the regulations, and, except for the plagiarism penalty, the increase in the entry fee, and the penalty for contacting judges, they relieve restrictions on the public, clarify existing and new practices, or make corrections. Therefore we believe 30 days will allow the public sufficient time to review and respond to our proposed changes. The public will benefit from having final regulations in place well in advance of our June 2006 contest opening date.