3. In the International Footnotes under heading I. New "S" Numbering Scheme, add footnotes S5.340, S5.552, S5.553, S5.554, and S5.555 in numerical order to read as follows:

International Footnotes

\* \* \* \* \*

#### I. New "S" Numbering Scheme

\* \* \* \*

S5.340 All emissions are prohibited in the following bands:

1400-1427 MHz,

- 2690–2700 MHz except those provided for by Nos. S5.421 and S5.422,
- 10.68–10.7 GHz except those provided for by No. S5.483,
- 15.35–15.4 GHz except those provided for by No. S5.511,
- 23.6–24 GHz,

31.3-31.5 GHz,

- 31.5-31.8 GHz in Region 2,
- 48.94-49.04 GHz from airborne stations,
- 51.4-54.25 GHz,
- 58.2-59 GHz,
- 64-65 GHz,
- 86–92 GHz,
- 105–116 GHz,
- 140.69–140.98 GHz from airborne stations and from space stations in the space-to-Earth direction,
- 182–185 GHz except those provided for by No. S5.563,
- 217–231 GHz.

S5.552 The allocation of the spectrum for the fixed-satellite service in the bands 42.5–43.5 GHz and 47.2–50.2 GHz for Earth-to-space transmission is greater than that in the band 37.5–39.5 GHz for space-to-Earth transmission in order to accommodate feeder links to broadcasting satellites. Administrations are urged to take all practicable steps to reserve the band 47.2–49.2 GHz for feeder links for the broadcasting-satellite service operating in the band 40.5–42.5 GHz.

S5.553 In the bands 43.5–47 GHz, 66–71 GHz, 95–100 GHz, 134–142 GHz, 190–200 GHz and 252–265 GHz, stations in the land mobile service may be operated subject to not causing harmful interference to the space radiocommunication services to which these bands are allocated (see No. S5.43).

S5.554 In the bands 43.5–47 GHz, 66–71 GHz, 95–100 GHz, 134–142 GHz, 190–200 GHz and 252–265 GHz, satellite links connecting land stations at specified fixed points are also authorized when used in conjunction with the mobile-satellite service or the radionavigation-satellite service.

S5.555 Additional allocation: the bands 48.94–49.04 GHz, 97.88–98.08

GHz, 140.69–140.98 GHz, 144.68– 144.98 GHz, 145.45–145.75 GHz, 146.82–147.12 GHz, 250–251 GHz and 262.24–262.76 GHz are also allocated to the radio astronomy service on a primary basis.

4. In the International Footnotes under heading II. Old Numbering Scheme, remove footnotes 898, 899, 900, and 901.

5. In the United States (US) Footnotes Add footnote US342 as follows:

United States (US) Footnotes

\* \* \*

US342 In making assignments to stations of other services to which the bands:

13360-13410 kHz 37.5-38.25 MHz 322-328.6 MHz\* 1330-1400 MHz\* 1610.6-1613.8 MHz\* 1660-1670 MHz 3260-3267 MHz\* 3332-3339 MHz\* 3345.8-3352.5 MHz\* 4825-4835 MHz\* 14.47-14.5 GHz\* 22.01-22.21 GHz\* 22.21-22.5 GHz 22.81-22.86 GHz\* 23.07-23.12 GHz\* 31.2-31.3 GHz 36.43-36.5 GHz\* 42.5-43.5 GHz 48.94-49.04 GHz\* 97.88-98.08 GHz\* 140.69-140.98 GHz\* 144.68-144.98 GHz\* 145.45-145.75 GHz\* 146.82-147.12 GHz\* 262.24-262.76 GHz\*

are allocated (\* indicates radio astronomy use for spectral line observations), all practicable steps shall be taken to protect the radio astronomy service from harmful interference. Emissions from spaceborne or airborne stations can be particularly serious sources of interference to the radio astronomy service (see Nos. 343/S4.5 and 344/S4.6 and Article 36/S29 of the ITU Radio Regulations).

\* \* \* \*

265-275 GHz

#### PART 25—SATELLITE COMMUNICATIONS

1. The authority citation for Part 25 continues to read as follows:

**Authority:** 47 U.S.C. 701–744. Interprets or applies sec. 303, 47 U.S.C. 303. 47 U.S.C. sections 154, 301, 302, 303, 307, 309, and 332, unless otherwise noted.

2. The table and footnotes in paragraph 25.202(a)(1) are revised to read as follows:

## §25.202 Frequencies, frequency tolerance and emission limitations.

(a)(1) Frequency bands. The following frequencies are available for use by the fixed-satellite service. Precise frequencies and bandwidths of emission shall be assigned on a case-by-case basis.

Space-to-Earth (GHz)	Earth-to-space (GHz)
3.7–4.2 1	15.925-6.425
<sup>1,2</sup> 10.95–11.2 <sup>1,2</sup> 11.45–11.7	<sup>4</sup> 13.75–14.0 <sup>5</sup> 14.0–14.2
11.7–12.2 <sup>3</sup> 17.7–19.7 <sup>1</sup>	14.2–14.5 127.5–29.5
19.7–20.2 37.6–38.6 40.0–41.0	29.5–30.0 48.2–50.2

<sup>1</sup>This band is shared coequally with terrestrial radiocommunication services.

<sup>2</sup> Use of this band by the fixed-satellite service is limited to international systems, i.e., other than domestic systems.

<sup>3</sup>Use of this band by the fixed-satellite service in Region 2 is limited to national and subregional systems. Fixed-satellite transponders may be used additionally for transmissions in the broadcasting-satellite service.

<sup>4</sup>This band is shared on an equal basis with the Government radiolocation service, grandfathered space stations in the Tracking and Data Relay Satellite System, and until January 1, 2000, spaceborne sensors.

1, 2000, spaceborne sensors. <sup>5</sup>In this band, stations in the radionavigation service shall operate on a secondary basis to the fixed-satellite service.

\* \* \* \*

[FR Doc. 99–974 Filed 1–14–99; 8:45 am] BILLING CODE 6712–01–U

#### FEDERAL COMMUNICATIONS COMMISSION

#### 47 CFR Part 54

[CC Docket No. 96-45; FCC 98-346]

## Federal-State Joint Board on Universal Service

**AGENCY:** Federal Communications Commission.

#### **ACTION:** Final rule.

SUMMARY: In this document, we grant the Rural Health Care Corporation's request to reconsider the Commission's decision regarding the funding year for the rural health care universal service support mechanism. We conclude that the public interest will be served by changing the funding year for the rural health care universal service support mechanism from a calendar year cycle (January 1-December 31) to a fiscal year cycle (July 1-June 30), and extending the first funding year by six months to June 30, 1999. Moreover, we conclude that the transition to a fiscal year cycle should be implemented immediately. The intended effect is to have the

applications submitted during the initial 75-day filing window and approved for funding will be funded through June 30, 1999, within the funding limitations adopted.

DATES: Effective January 15, 1999.

FOR FURTHER INFORMATION CONTACT: Jack Zinman, Attorney, Common Carrier Bureau, Accounting Policy Division, (202) 418–7400.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's document released on December 31, 1998. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room 239, 1919 M Street, N.W., Washington, D.C., 20554.

#### Summary of Ninth Order on Reconsideration in CC Docket No. 96– 45

#### I. Discussion

1. We find that the public interest will be served by changing the funding year for the rural health care universal service support mechanism from a calendar year cycle (January 1-December 31) to a fiscal year cycle that will run from July 1-June 30, and extending the first funding period by six months to June 30, 1999. We conclude that the transition to a fiscal year should be implemented immediately. In order to accommodate the transition to a fiscal year funding cycle, the first funding period will be the 18-month period from January 1, 1998 through June 30, 1999. The second funding period will begin on July 1, 1999. Applications that were submitted during the initial 75-day filing window and approved for funding by the rural health care support mechanism will be funded through June 30, 1999, to the extent permitted by funding constraints. We direct the Rural Health Care Corporation (RHCC), in consultation with the Universal Service Administrative Company (USAC) and the Common Carrier Bureau, to establish a filing window for the next fiscal year, to open on March 1, 1999. Parties seeking support for the second funding period may begin to file applications on March 1, 1999. We also conclude that RHCC should determine the length of that window, and resolve other administrative matters necessary to implement a filing window in consultation with the Common Carrier Bureau. Upon consummation of the merger, USAC shall assume RHCC's role in implementing these directives.

2. We have decided to extend the initial funding period and implement a fiscal year funding cycle for rural health care, and to transition to this approach immediately, for several reasons. We agree with RHCC that applicants will benefit from the six-month extension. Although RHCC has received more than 2,500 applications for support, very few rural health care providers (RHCPs) have completed the application process. The transition to the fiscal year funding cycle adopted herein will afford applicants an opportunity to conclude negotiations with telecommunications service providers, and take advantage of the resources that they have already invested in the application process.

3. We also agree with RHCC that granting the extension will provide an opportunity to implement changes that may be identified in the near future to further enhance the operation of the rural health care universal service support mechanism. Specifically, we recently directed USAC to evaluate anticipated demand for 1999, and review the operations of the rural health care support mechanism to improve the opportunities for eligible rural health care providers to take advantage of the support mechanism. We further directed that USAC submit the results of such evaluation to the Commission by March 1, 1999. A six-month extension of the initial funding period will provide RHCC, USAC, and the Commission with additional time to implement any such changes prior to the commencement of the second funding period.

4. In addition, our decision to adopt a fiscal year funding period will synchronize the rural health care universal service support mechanism with the budgetary and planning cycle of the schools and libraries universal service support mechanism. This coordination of support mechanisms will simplify USAC's tasks of tracking collections, processing accumulated credits, and complying with financial reporting requirements. USAC also believes that consistency of year end close of books will provide the additional benefit of minimizing the frequency of disruptions therefrom.

5. Moreover, we find that, as noted in the *Fifth Order on Reconsideration*, 63 FR 143088 (August 12, 1998), using a fiscal year funding cycle will ease the administrative burden on carriers by aligning universal service contribution levels with the local exchange carrier annual access tariff filing schedule. Under our rules, local exchange carriers file their annual tariffs to be effective July 1 of each year. One piece of information these companies require in order to file their tariffs is the universal service contribution factors.

6. Additionally, we disagree with the U.S. Department of Health and Human Services (HHS) concern that granting RHCC's request for a six-month

extension will result in less money being available for the support mechanism. It is anticipated that the rural health care support mechanism will have a balance of approximately \$85.5 million at the end of the fourth quarter of 1998. As discussed in the Contribution Factors Public Notice, we directed that half of this amount be used to reduce the amount of contributions collected during the first quarter of 1999. We further directed that once USAC has completed its evaluation of rural health care funding needs, the amount remaining in the account, net of expected 1999 funding requirements, be used to reduce subsequent contribution factors. In light of current estimates of demand for support, as discussed in the Contribution Factors Public Notice, we conclude that there is sufficient funding for the rural health care support mechanism. HHS also believes that there may be confusion as to whether additional providers may apply for support during the six-month extension period, and if they are not permitted to do so, then the extension may be perceived as a delay. We are moving the start date for the second funding period, which should ameliorate the concerns of additional providers who wish to apply for support. Moreover, we reject the alternative "grandfather" approach suggested by HHS. As previously explained, HHS suggests considering any pending initial funding period applications in the second funding period, thus eliminating the need for applicants to resubmit those applications. Under such an approach, the rural health care mechanism's second funding period would begin on January 1, 1999. We would therefore be unable to convert the mechanism to a fiscal year cycle, and we would forgo the administrative benefits of such a conversion. Thus, we continue to believe that granting RHCC's request is in the public interest.

7. To accomplish the changes requested by RHCC, we conclude that, for applications filed within the initial 75-day filing window, the Administrator shall make funding commitments effective for services provided no earlier than January 1, 1998. These services will be funded at the approved monthly level through June 30, 1999. We conclude that this approach is reasonable because telecommunications services and Internet access are generally provided at regular, monthly intervals and are billed on a monthly, recurring basis.

8. The transition from a calendar year to a fiscal year also requires that we amend our rules concerning the acceptance of funding requests. The universal service funding period for RHCPs presently runs from January 1 to December 31. Section 54.623(c) of the Commission's rules permits RHCPs to begin to apply for support on July 1 prior to each funding period. The 1998 funding period, which by this Order we extend to June 30, 1999, is the first funding period during which the universal service mechanism designed to benefit RHCPs is in place. The RHCC, the entity currently charged with administering the application process, did not begin accepting applications from health care providers for the first funding period until May 1, 1998, largely due to the challenges of implementing a new universal service support mechanism. As a result of this delay, RHCC was not able to accept applications for the second funding period beginning on July 1, 1998, and to date, has not opened a filing window for the second funding period nor received applications for support for the second funding period. Thus, we need to establish a new start date for the application process for the second funding period.

9. We conclude that a start date of March 1, 1999, for the application process for the second funding period will serve the public interest. Moving the start date to March 1, 1999, will give applicants sufficient time to complete their applications for the first funding period before they are required to submit applications for the second funding period. In addition, moving the start date to March 1, 1999, will allow applicants an opportunity to assess the sufficiency of the supported services they receive in the first funding period before they are asked to declare which services they will require in the second funding period. Accordingly, we find that the public interest will be served by amending section 54.623(c) of the Commission's rules and moving the commencement of the application process for the second funding period from July 1, 1998, to March 1, 1999.

The transition to a fiscal year funding cycle adopted herein further requires that we reconsider on our own motion the limitation on the exemption from competitive bidding for voluntary extensions of contracts. Our rules currently provide that voluntary extensions of existing contracts are not exempt from the competitive bidding rules. To accomplish an orderly transition to the fiscal year funding cycle, however, we conclude that we must allow existing contracts that have a termination date between December 31, 1998 and June 30, 1999 to be voluntarily extended to a date no later than June 30, 1999. Although voluntary

extensions of contracts generally are not exempt from the competitive bidding requirement, we adopt this limited exception for voluntary extensions of contracts up to June 30, 1999. To hold otherwise would result in RHCPs either having to participate in competitive bidding for only a six-month service period, or not being eligible for support for that six-month period. We conclude that either result would be both administratively and financially unworkable for RHCPs. Thus, we find that the public interest will be served by amending the exemption from the competitive bidding requirements found in section 54.603 of the commission's rules, to allow RHCPs that filed applications within the 75-day initial filing window to extend voluntarily, to a date no later than June 30, 1999, existing contracts that otherwise would terminate between December 31, 1998 and June 30, 1999.

11. We conclude that the amendments to our rules adopted herein shall be effective upon publication in the Federal Register. In this Order, we adopt amendments that change the funding period for the rural health care support mechanism from a calendar year cycle (January 1-December 31) to a fiscal year cycle (July 1–June 30), and extend the first funding year for the rural health care support mechanism by six months to June 30, 1999. Thus, these amendments must take effect before the rural health care support mechanism's first funding year expires on December 31, 1998. Additionally, compliance with these amendments requires preparation only by USAC and RHCC. These entities will have actual notice of their obligations when the Commission adopts this Order, and both entities will be able to comply with these amendments in a short amount of time. Accordingly, pursuant to the Administrative Procedure Act, we find good cause to depart from the general requirement that final rules take effect not less than thirty days after their publication in the Federal Register.

#### II. Supplemental Final Regulatory Flexibility Analysis

12. In compliance with the Regulatory Flexibility Act (RFA), this Supplemental Final Regulatory Flexibility Analysis (SFRFA) supplements the Final Regulatory Flexibility Analysis (FRFA) included in the *Universal Service Order*, 62 FR 32862 (June 17, 1997), only to the extent that changes to that Order adopted herein on reconsideration require changes in the conclusions reached in the FRFA. As required by section 603 RFA, 5 U.S.C. 603, the FRFA was preceded by an Initial Regulatory Flexibility Analysis (IRFA) incorporated in the Notice of Proposed Rulemaking and Order Establishing the Joint Board (NPRM), and an IRFA, prepared in connection with the Recommended Decision, which sought written public comment on the proposals in the NPRM and the Recommended Decision.

#### A. Need for and Objectives of this Order

13. The Commission is required by section 254 of the Act to promulgate rules to implement promptly the universal service provisions of section 254. On May 8, 1997, the Commission adopted rules whose principal goal is to reform our system of universal service support mechanisms so that universal service is preserved and advanced as markets move toward competition. In this Order, we reconsider one aspect of those rules. To give RHCPs an opportunity to complete the application process during the first funding period, we grant the request to reconsider the funding cycle for RHCPs. We conclude that the public interest will be served by changing the funding year for the rural health care universal service support mechanism from a calendar year cycle to a fiscal year cycle running from July 1 to June 30, and extending the first funding year by six months to June 30, 1999. Moreover, this change to a fiscal year funding cycle will synchronize the budgetary and planning cycles of the rural health care and schools and libraries universal service support mechanisms, and will align universal service contribution levels with projected reductions in access charges.

B. Summary and Analysis of the Significant Issues Raised by Public Comments in Response to the FRFA

14. Nine entities filed comments in response to the Public Notice released on December 8, 1998. The overwhelming majority support RHCC's request to extend its initial funding year to June 30, 1999. One commenter, HHS, expressed concerns about the amount of funding available and the ability of additional providers to apply for support if the rural health care mechanism's funding year is extended through June 30, 1999. As previously discussed and in the Contribution Factors Public Notice, there is sufficient funding for the support mechanism, and the Commission has taken steps to ensure that additional providers will be able to apply for support. The Commission also rejected HHS's suggestion of a "grandfather" approach because it would preclude converting the rural health care support mechanism to a fiscal year cycle and would prevent

USAC and RHCPs from realizing the administrative efficiencies associated with a fiscal year cycle.

C. Description and Estimates of the Number of Small Entities to Which the Rules Adopted in This Order Will Apply

15. In the FRFA at paragraphs 890– 925 of the Universal Service Order, we described and estimated the number of small entities that would be affected by the new universal service rules. The rules adopted herein may apply to the same entities affected by the universal service rules. We therefore incorporate by reference paragraphs 890–925 of the Universal Service Order.

D. Summary Analysis of the Projected Reporting, Recordkeeping, and Other Compliance Requirements and Significant Alternatives

16. In the FRFA to the Universal Service Order. we described the projected reporting, recordkeeping, and other compliance requirements and significant alternatives associated with the Schools and Libraries section, the Rural Health Care Provider section, and the Administration section of the Universal Service Order. Because the rules adopted herein may only affect those requirements in a marginal way, we incorporate by reference paragraphs 956-60, 968-71, and 980 of the Universal Service Order, which describe those requirements and provide the following analysis of the new requirements adopted herein.

17. Under the rules adopted herein, we revise the funding year for the rural health care support mechanism from a calendar year cycle (January 1-December 31) to a fiscal year cycle (July 1-June 30), and extend the first funding year by six months to June 30, 1999. This revision will benefit RHCPs in three ways: (1) it will give them an opportunity to complete the application process for the initial funding cycle; (2) it will synchronize the rural health care support mechanism with the budgetary and planning cycles of schools and libraries support mechanism, thereby resulting in administrative efficiencies for USAC; and (3) it will align universal service contribution levels with projected reductions in access charges. These changes will not have a significant impact on the reporting, recordkeeping, and other compliance requirements for the rural health care support mechanism.

E. Steps Taken To Minimize the Significant Economic Impact on a Substantial Number of Small Entities Consistent with Stated Objectives

18. In the FRFA to the Universal Service Order, we described the steps taken to minimize the significant economic impact on a substantial number of small entities consistent with stated objectives associated with the Schools and Libraries section, the Rural Health Care Provider section, and the Administration section of the Universal Service Order. Because the rules adopted herein may only affect those requirements in a marginal way, we incorporate by reference paragraphs 961-67, 972-76, and 981-82 of the Universal Service Order, which describe those requirements and provide the following analysis of the new requirements adopted herein.

19. As previously described, our decision to change to a fiscal year funding cycle, and extend the first funding year by six months, will benefit RHCPs, as well as their chosen service providers, who may be small entities, by ensuring that they have an opportunity to complete the application process, and recoup their investment therein. We also find that this approach strikes the best balance between fulfilling the statutory mandate to enhance access to telecommunications services for RHCPs, and fulfilling the statutory principle of providing quality services at "just, reasonable, and affordable rates, without imposing unnecessary burdens on RHCPs or service providers, including small entities.

#### III. Ordering Clauses

20. Accordingly, it is ordered that, pursuant to the authority contained in sections 1–4, 201–205, 218–220, 254, 303(r), 403, and 405 of the Communications Act of 1934, as amended, 47 U.S.C. 151–154, 201–205, 218–220, 254, 303(r), 403, and 405; 47 CFR 1.108, the Ninth Order on Reconsideration is adopted, and 47 CFR Part 54, are amended as set forth in the rule changes.

21. It is further ordered that the Commission's Office of Public Affairs, Reference Operations Division, shall send a copy of this Ninth Order on Reconsideration, including the Supplemental Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

#### List of Subjects in 47 CFR Part 54

Healthcare providers, Libraries, Reporting and recordkeeping requirements, Schools, Telecommunications, Telephone. Federal Communications Commission. Magalie Roman Salas, Secretary.

#### **Rule Changes**

Part 54 of Title 47 of the Code of Federal Regulations is amended as follows:

#### PART 54—UNIVERSAL SERVICE

1. The authority for part 54 continues to read as follows:

**Authority:** 47 U.S.C. 1, 4(i), 201, 205, 214, and 254 unless otherwise noted.

2. Amend § 54.604 by revising paragraph (d) to read as follows:

### § 54.604 Existing contracts.

(d) The exemption from the competitive bid requirements set forth in paragraph (a) shall not apply to voluntary extensions of existing contracts, with the exception that an eligible health care provider as defined under § 54.601 or consortium that includes an eligible health care provider, that filed an application within the initial 75-day filing window (May 1, 1998–July 14, 1998) may voluntarily extend, to a date no later than June 30, 1999, an existing contract that otherwise would terminate between December 31, 1998 and June 30, 1999.

3. Amend § 54.623 by revising paragraphs (b) and (c) to read as follows:

#### §54.623 Cap.

(b) *Funding year.* A funding year for purposes of the health care providers cap shall be the period July 1 through June 30. For the initiation of the mechanism only, the eighteen month period from January 1, 1998 to June 30, 1999 shall be considered a funding year. Eligible health care providers filing applications within the initial 75-day filing window shall receive funding for requested services through June 30, 1999.

(c) *Requests.* Funds shall be available as follows:

(1) Generally, funds shall be available to eligible health care providers on a first-come-first-served basis, with requests accepted beginning on the first of January prior to each funding year.

(2) For the initial funding year, the Administrator shall implement an initial filing period that treats all health care providers filing within that period as if they were simultaneously received. The initial filing period shall begin on the date that the Administrator begins to receive applications for support, and shall conclude on a date to be determined by the Administrator.

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(3) For the second funding year, which will begin on July 1, 1999, the Administrator shall implement a filing period that treats all health care providers filing within that period as if they were simultaneously received. The initial filing period shall begin on the date that the Administrator begins to receive applications for support, and shall conclude on a date to be determined by the Administrator.

(4) The Administrator may implement such additional filing periods as it deems necessary.

\* \* \* \* \* \* [FR Doc. 99–972 Filed 1–14–99; 8:45 am] BILLING CODE 6712–01–P

#### FEDERAL COMMUNICATIONS COMMISSION

#### 47 CFR Part 76

[CS Docket No. 97–248; RM No. 9097; FCC 98–189]

#### Cable Television Consumer Protection and Competition Act of 1992

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule; announcement of effective date.

**SUMMARY:** The Commission amended its rules regarding access to cable programming. These rules contained new and modified information collection requirements and became effective on December 23, 1998.

EFFECTIVE DATE: December 23, 1998. FOR FURTHER INFORMATION CONTACT:

Steven Broeckaert, Cable Services Bureau, (202) 418–7200.

#### SUPPLEMENTARY INFORMATION:

1. On August 6, 1998, the Commission adopted an order revising its program access rules. The revised rules will further the Commission's goal of increasing competition in the market for multichannel video programming by improving access to programming for all providers. See 63 FR 45740, August 27, 1998. Because amended § 76.1003 of the Commission's rules imposed new or modified information collection requirements, it could not become effective until approved by the Office of Management and Budget ("OMB"). OMB approved the rule changes on December 23, 1998.

2. The order stated that, upon approval by OMB, the Commission would publish a document announcing the effective date of the rules. The amendments to 47 CFR 76.1003 became effective on December 23, 1998. Federal Communications Commission. **Magalie Roman Salas**, *Secretary*. [FR Doc. 99–973 Filed 1–14–99; 8:45 am] BILLING CODE 6712–01–M

#### DEPARTMENT OF DEFENSE

48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253

[DFARS Case 97-D306]

#### Defense Federal Acquisition Regulation Supplement; Simplified Acquisition Procedures

**AGENCY:** Department of Defense (DoD). **ACTION:** Final rule.

**SUMMARY:** The Director of Defense Procurement has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to update guidance on simplified acquisition procedures for consistency with the reorganization of simplified acquisition procedures in the Federal Acquisition Regulation (FAR). **EFFECTIVE DATE:** January 15, 1999.

FOR FURTHER INFORMATION CONTACT: Ms. Susan L. Schneider, Defense Acquisition Regulations Council, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telephone (703) 602–0131; telefax (703) 602–0350. Please cite DFARS Case 97–D306.

#### SUPPLEMENTARY INFORMATION:

#### A. Background

This final rule revises DFARS Part 213 to conform to the revision of FAR Part 13 that was published as Item IV of Federal Acquisition Circular 97-03 on December 9, 1997 (62 FR 64916). The rule also amends other parts of the DFARS for consistency with FAR amendments that implemented provisions of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) pertaining to simplified acquisition procedures (e.g., replacement of the term "small purchase" with the term "simplified acquisition''). The FAR amendments were published as Item III of Federal Acquisition Circular 90–29 (60 FR 34741, July 3, 1995) and Item II of Federal Acquisition Circular 90-40 (61 FR 39189, July 26, 1996).

A proposed DFARS rule was published on May 8, 1998 (63 FR 25438). Seven respondents submitted comments on the proposed rule. All comments were considered in developing the final rule. The guidance at 213.270 of the proposed rule, pertaining to use of the Governmentwide commercial purchase card, has been excluded from the final rule, as the underlying policy memoranda have been canceled and superseded. The superseding policy memorandum, issued by the Principal Deputy Under Secretary of Defense for Acquisition and Technology on October 2, 1998, entitled "Streamlined Payment Practices for Awards/Orders Valued at or below the Micro-Purchase Threshold," will be implemented in a future amendment to the DFARS.

#### **B. Regulatory Flexibility Act**

The Department of Defense certifies 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 the rule primarily consists of conforming DFARS amendments and internal Government procedures to implement existing FAR guidance pertaining to purchase at or below the simplified acquisition threshold.

#### **C. Paperwork Reduction Act**

The Paperwork Reduction Act does not apply because this final 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 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253

Government procurement.

#### Michele P. Peterson,

Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253 are amended as follows:

1. The authority citation for 48 CFR Parts 204, 208, 213, 216, 217, 219, 223, 225, 237, 242, 246, 247, and 253 continues to read as follows:

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

#### PART 204—ADMINISTRATIVE MATTERS

2. Section 204.670–2 is amended by revising paragraph (c) to read as follows:

## § 204.670–2 Reportable contracting actions.

(c) Summarize on the monthly DD Form 1057, in accordance with the instructions in 253.204–71(a)(3), contracting actions that—

(1) Support a contingency operation as defined in 10 U.S.C. 101(a)(13) or a