

the first sentence in paragraph (j). The revised text reads as follows:

52.248-1 Value Engineering.

As prescribed in 48.201, insert the following clause:

Value Engineering (Nov 1999)

* * * * *

(b) Definitions.

Acquisition savings, * * *

(3) Future contract savings, which are the product of the future unit cost reduction multiplied by the number of future contract units in the sharing base. On an instant contract, future contract savings include savings on increases in quantities after VECP acceptance that are due to contract modifications, exercise of options, additional orders, and funding of subsequent year requirements on a multiyear contract.

* * * * *

Sharing period, as used in this clause, means the period beginning with acceptance of the first unit incorporating the VECP and ending at a calendar date or event determined by the contracting officer for each VECP.

* * * * *

(f) * * *

CONTRACTOR'S SHARE OF NET ACQUISITION SAVINGS

[Figures in Percent]

Contract type	Sharing arrangement			
	Incentive (voluntary)		Program requirement (mandatory)	
	Instant contract rate	Con-current and future contract rate	Instant contract rate	Con-current and future contract rate
Fixed-price (includes fixed-price-award-fee; excludes other fixed-price incentive contracts)	1 50	1 50	25	25
Incentive (fixed-price or cost) (other than award fee)	(2)	1 50	(2)	25
Cost-reimbursement (includes cost-plus-award-fee; excludes other cost-type incentive contracts)	3 25	3 25	15	15

¹ The Contracting Officer may increase the Contractor's sharing rate to as high as 75 percent for each VECP.

² Same sharing arrangement as the contract's profit or fee adjustment formula.

³ The Contracting Officer may increase the Contractor's sharing rate to as high as 50 percent for each VECP.

* * * * *

(j) *Collateral savings*. If a VECP is accepted, the instant contract amount must be increased, as specified in paragraph (h)(5) of this clause, by a rate from 20 to 100 percent, as determined by the Contracting Officer, of any projected collateral savings determined to be realized in a typical year of use after subtracting any Government costs not previously offset. * * *

* * * * *

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Part 52

[FAC 97-14; FAR Case 98-003; Item XV]

RIN 9000-AI23

Federal Acquisition Regulation; Cost Accounting Standards Post-Award Notification

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 (Councils) have agreed on a final rule amending the Federal Acquisition Regulation (FAR) to reduce the subcontractor information that the FAR requires a contractor to provide to its cognizant contract administration office (CAO) when requesting the CAO to perform administration for Cost Accounting Standards (CAS) matters.

EFFECTIVE DATE: November 23, 1999.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, Room 4035, GS Building, Washington, DC, 20405, (202) 501-4755, for information pertaining to status or publication schedules. For clarification of content, contact Ms. Linda Nelson, Procurement Analyst, at (202) 501-1900. Please cite FAC 97-14, FAR case 98-003.

SUPPLEMENTARY INFORMATION:

A. Background

The Councils published a proposed rule in the **Federal Register** on January 25, 1999 (64 FR 3786). The proposed rule revised the clause at FAR 52.230-6(e)(2) to reduce the subcontractor information that a contractor is required to provide to its cognizant contract administration office (CAO) when requesting the CAO to perform administration for CAS matters.

Two respondents submitted public comments to the proposed rule. The Councils considered all comments and

converted the proposed rule to a final rule without change.

This rule was not subject to Office of Management and Budget review under Section 6(b) of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

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 contracts and subcontracts with small businesses are exempt from all CAS requirements in accordance with 48 CFR 9903.201-1(b)(3).

C. Paperwork Reduction Act

The Paperwork Reduction Act (Pub. L. 104-13) applies because the final rule contains information collection requirements. Accordingly, the FAR Secretariat will forward a request for a revised paperwork burden under OMB Control Number 9000-0129 reflecting a slight decrease to the hours to the Office of Management and Budget under 44

U.S.C. 3501, *et seq.* The **Federal Register** notice published on January 25, 1999, invited public comment concerning this decrease. The FAR Secretariat received no comments.

List of Subjects in 48 CFR Part 52

Government procurement.

Dated: September 14, 1999.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, DoD, GSA, and NASA amend 48 CFR Part 52 as set forth below:

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

1. The authority citation for 48 CFR Part 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).

2. Amend section 52.230-6 to revise the date of the clause and paragraph (e) of the clause to read as follows:

52.230-6 Administration of Cost Accounting Standards.

* * * * *

Administration of Cost Accounting Standards (Nov 1999)

* * * * *

(e) For all subcontracts subject to the clauses at FAR 52.230-2, 52.230-3, or 52.230-5—

(1) So state in the body of the subcontract, in the letter of award, or in both (self-deleting clauses shall not be used);

(2) Include the substance of this clause in all negotiated subcontracts; and

(3) Within 30 days after award of the subcontract, submit the following information to the Contractor's cognizant contract administration office for transmittal to the contract administration office cognizant of the subcontractor's facility:

(i) Subcontractor's name and subcontract number.

(ii) Dollar amount and date of award.

(iii) Name of Contractor making the award.

* * * * *

[FR Doc. 99-24424 Filed 9-23-99; 8:45 am]

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 1, 15, 19, and 52

[FAC 97-14; Item XVI]

Federal Acquisition Regulation; Technical Amendments

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

ACTION: Technical amendments.

SUMMARY: This document makes amendments to the Federal Acquisition Regulation in order to update references and make editorial changes.

EFFECTIVE DATE: September 24, 1999, except for sections 19.102 and 52.219-18 which are effective November 23, 1999.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, Room 4035, GS Building, Washington, DC 20405, (202) 501-4755.

List of Subjects in 48 CFR Parts 1, 15, 19, and 52

Government procurement.

Dated: September 14, 1999

Edward C. Loeb

Director, Federal Acquisition Policy Division.

Therefore, DoD, GSA, and NASA amend 48 CFR Parts 1, 15, 19, and 52 as set forth below:

1. The authority citation for 48 CFR Parts 1, 15, 19, 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 1—FEDERAL ACQUISITION REGULATIONS SYSTEM

2. Amend section 1.106 in the table following the introductory paragraph by adding entries to read as follows:

1.106 OMB approval under the Paperwork Reduction Act.

* * * * *

FAR segment	OMB control number
* * * * *	
52.232-1	9000-0070
52.232-2	9000-0070
52.232-3	9000-0070
52.232-4	9000-0070

FAR segment	OMB control number
* * * * *	
52.232-6	9000-0070
* * * * *	
52.232-8	9000-0070
52.232-9	9000-0070
* * * * *	
52.232-11	9000-0070
* * * * *	

PART 15—CONTRACTING BY NEGOTIATION

15.305 [Amended]

3. Amend section 15.305 in paragraph (a)(2)(i) by removing “(41 U.S.C. 401)”.

PART 19—SMALL BUSINESS PROGRAMS

4. Amend section 19.102 by revising the first sentence of paragraph (h); and by removing the size standards table that follows, which consists of Division A through Division K, and Footnotes 1 through 13, to read as follows:

19.102 Size standards.

* * * * *

(h) The industry size standards are published by the Small Business Administration on the Internet at <http://www.sba.gov/regulations/siccodes>.

* * *

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

52.211-6 [Amended]

5. Remove from the introductory text “11.107” and insert “11.107(a).”

52.219-18 [Amended]

6. In section 52.219-18 in paragraph (d)(2) of the clause, remove the last sentence in parentheses.

[FR Doc. 99-24425 Filed 9-23-99; 8:45 am]

BILLING CODE 6820-EP-P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

Federal Acquisition Regulation; Small Entity Compliance Guide

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