

**DEPARTMENT OF DEFENSE****48 CFR Part 225****[DFARS Case 2000–D011]****Defense Federal Acquisition Regulation Supplement; NAFTA Procurement Threshold****AGENCY:** Department of Defense (DoD).**ACTION:** Final rule.

**SUMMARY:** The Acting Director of Defense Procurement has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS). The rule implements the determination of the U.S. Trade Representative to increase the dollar threshold for application of the North American Free Trade Agreement (NAFTA) to procurement of goods from Mexico, from \$53,150 to \$54,372.

**EFFECTIVE DATE:** June 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amy Williams, Defense Acquisition Regulations Council, OUSD(AT&L)DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telephone (703) 602–0288; telefax (703) 602–0350. Please cite DFARS Case 2000–D011.

**SUPPLEMENTARY INFORMATION:****A. Background**

On March 31, 2000 (65 FR 17332), the U.S. Trade Representative published a determination that increased the dollar threshold for application of NAFTA to procurement of goods from Mexico, from \$53,150 to \$54,372. This final rule amends the prescription for use of the clause at DFARS 252.225–7036, Buy American Act–North American Free Trade Agreement Implementation Act–Balance of Payments Program, to reflect the new dollar threshold.

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

**B. Regulatory Flexibility Act**

This final rule does not constitute a significant revision within the meaning of FAR 1.501 and Public Law 98–577 and publication for public comment is not required. However, DoD will consider comments from small entities concerning the affected DFARS subpart in accordance with 5 U.S.C. 610. Such comments should cite DFARS Case 2000–D011.

**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 Part 225**

Government procurement.

**Michele P. Peterson,***Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR part 225 is amended as follows:

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.

**PART 225—FOREIGN ACQUISITION****225.1101 [Amended]**

2. Section 225.1101 is amended in paragraphs (13)(i)(A) and (B) by removing “\$53,150” and adding in its place “\$54,372”.

[FR Doc. 00–13827 Filed 6–5–00; 8:45 am]

**BILLING CODE 5000–04–M****DEPARTMENT OF DEFENSE****48 CFR Part 230****[DFARS Case 2000–D012]****Defense Federal Acquisition Regulation Supplement; Waiver of Cost Accounting Standards****AGENCY:** Department of Defense (DoD).**ACTION:** Final rule

**SUMMARY:** The Acting Director of Defense Procurement has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to add text pertaining to agency waiver of Cost Accounting Standards (CAS) requirements. This rule supplements a Federal Acquisition Regulation (FAR) rule on this subject that appears elsewhere in this issue of the **Federal Register**.

**EFFECTIVE DATE:** June 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Ms. Sandra Haberlin, Defense Acquisition Regulations Council, OUSD (AT&L) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telephone (703) 602–0289; telefax (703) 602–0350. Please cite DFARS Case 2000–D012.

**SUPPLEMENTARY INFORMATION:****A. Background**

Section 802 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) amended 41 U.S.C. 422(f) to permit the head of an executive agency to waive the applicability of CAS under certain conditions. To implement Section 802, the CAS Board published

an interim rule at 65 FR 5990 on February 7, 2000. The CAS Board's rule, Applicability, Thresholds, and Waiver of Cost Accounting Standards Coverage, amended the regulations at 48 CFR 9903, including § 9903.201–5, Waiver.

An interim rule amending the FAR Under Case Number 2000–301, Applicability, Thresholds, and Waiver of Cost Accounting Standards Coverage, appears elsewhere in this issue of the **Federal Register** to implement Section 802 and the CAS Board's interim rule. This DFARS rule supplements the FAR rule by—

1. Providing DoD procedures for processing CAS waivers;
2. Clarifying which DoD components may grant CAS waivers at what level of authority; and
3. Providing DoD procedures for submission of annual CAS waiver reports to the CAS Board.

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

**B. Regulatory Flexibility Act**

This final rule does not constitute a significant revision within the meaning of FAR 1.501 and Public Law 98–577 and publication for public comment is not required. However, DoD will consider comments from small entities concerning the affected DFARS subpart in accordance with 5 U.S.C. 610. Such comments should cite DFARS Case 2000–D012.

**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 Part 230**

Government procurement.

**Michele P. Peterson,***Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR part 230 is amended as follows:

1. The authority citation for 48 CFR part 230 continues to read as follows:

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

**PART 230—COST ACCOUNTING STANDARDS ADMINISTRATION**

2. Subpart 230.2 is added to read as follows:

**Subpart 230.2—CAS Program Requirements**

Sec.

230.201–5 Waiver.

230.201–5 Waiver.

(a)(1)(A) The military departments—

(1) May grant CAS waivers that meet the conditions in FAR 30.201–5(b); and

(2) Unless otherwise authorized by the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition, Technology, and

Logistics), must submit each CAS waiver request to the Director of Defense Procurement for review at least 14 days before granting the waiver.

(B) DoD contracting activities that are not within a military department must submit CAS waiver requests that meet the conditions in FAR 30.201–5(b) to the Director of Defense Procurement for approval at least 30 days before the anticipated contract award date.

(2) The military departments must not delegate CAS waiver authority below

the individual responsible for issuing contracting policy for the department.

(e)(i) by November 15th of each year, the military departments must provide a report of all waivers granted under FAR 30.201–5(a) during the previous fiscal year to the Director of Defense Procurement.

(ii) The Director of Defense Procurement will submit a consolidated DoD report to the CAS Board.

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