PART 242—CONTRACT ADMINISTRATION AND AUDIT SERVICES

4. Revise section 242.503–2 to read as follows:

242.503–2 Postaward conference procedure.

(a) DD Form 1484, Post-Award Conference Record, may be used in conducting the conference and in preparing the conference report.

(b) For contracts that include the clause at 252.234–70YY, postaward conferences shall include a discussion of the Contractor's standard Cost and Software Data Reporting (CSDR) process that satisfies the guidelines contained in the CSDR Manual DoD 5000.04–M–1 and the requirements in the Government approved contract CSDR plan, DD Form 2794, Cost and Software Data Reporting Plan and related Resource Distribution Table, and DD Form 1921–3, Contractor Business Data Report.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

5. Add section 252.234–70XX to read as follows:

252.234 70XX Notice of Cost and Software Data Reporting System.

As prescribed in 234.7101(a), use the following provision:

NOTICE OF COST AND SOFTWARE DATA REPORTING SYSTEM (DATE)

(a) The offeror shall—

(1) Describe the standard Cost and Software Data Reporting (CSDR) process that it intends to use to satisfy the requirements of the CSDR Manual, DoD 5000.04–M–1, and the Government-approved contract CSDR plan, DD Form 2794 and related Resource Distribution Table contained in the solicitation. For Contractor Cost and Data Reporting (CCDR) application, the description will demonstrate how reports are based, to the maximum extent possible, upon actual cost transactions and not cost allocations. The description will also show how the data from the offeror's accounting system will be mapped into the standard reporting categories required in the Contractor CCDR data item descriptions. The document shall also describe how the offeror segregates recurring and nonrecurring costs;

(2) Provide comments on the adequacy of the CSDR contract plan and related Resource Distribution Table contained in the solicitation; and

(3) Submit the DD Form 1921, Cost Data Summary Report, DD Form 1921–1, Functional Cost-Hour Report, and DD Form 1921–2, Progress Curve Report, with its pricing proposal.

(b) The offeror shall identify the subcontractors or the subcontracted effort, if the subcontractors have not been selected, to whom the CSDR requirements will apply. This will be accomplished by providing comments on the Resource Distribution Table contained in the solicitation. The offeror shall be responsible for ensuring the selected subcontractors comply with the requirements of the CSDR System. The offeror shall also be responsible for notifying the Government prior to changes in subcontractor or planned subcontract circumstances affecting CSDR compliance.

(End of provision)

6. Add section 252.234–70YY to read as follows:

252.234 70YY Cost and Software Data Reporting System.

As prescribed in 234.7101(b), use the following clause:

COST AND SOFTWARE DATA REPORTING SYSTEM (DATE)

(a) In the performance of this contract, the Contractor shall use—

(1) A documented standard Cost and Software Data Reporting (CSDR) process that satisfies the guidelines contained in the CSDR Manual DoD 5000.04–M–1;

(2) Management procedures that provide for generation of timely and reliable information for the Contractor Cost Data Reports (CCDRs) and Software Resources Data Reports (SRDRs) required by the CCDR and SRDR data items of the contract. These procedures will also maximize use of actual cost transactions rather than cost allocations; and

(3) The Government-approved contract CSDR plan, DD Form 2794, Cost and Software Data Reporting Plan and related Resource Distribution Table, and DD Form 1921–3, Contractor Business Data Report, as the basis for reporting in accordance with the required CSDR data item descriptions (DIDs).

(b) The Contractor shall require the following subcontractors to comply with the CSDR requirements:

(Contracting Officer to insert names of subcontractors (or subcontracted effort if subcontractors have not been selected) designated for application of the CSDR requirement of the clause.)

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(End of clause)

[FR Doc. 2010–10762 Filed 5–6–10; 8:45 am]

BILLING CODE 5001–08–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

[DFARS Case 2006–D029]

48 CFR Part 225

RIN 0750–AG57

Defense Federal Acquisition Regulation Supplement; Department of Defense (DoD); Restriction on Ball and Roller Bearings

ACTION: Proposed rule with request for comments.

SUMMARY: DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to revise the domestic source restriction on acquisition of ball and roller bearings. The current DFARS restriction on ball and roller bearings requires that the bearings and the main bearing components be manufactured in the U.S. or Canada. This requirement was based on the restriction at 10 U.S.C. 2534(a)(5), which expired on October 1, 2005. The proposed revision interprets the annual defense appropriations act domestic source restriction on acquisition of ball and roller bearings in a manner similar to the domestic source restriction of the Buy American Act.

DATES: Comments on the proposed rule should be submitted to the address shown below on or before July 6, 2010, to be considered in the formulation of the final rule.

ADDRESSES: You may submit comments, identified by DFARS Case 2006–D029, using any of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.
- *E-mail: dfars@osd.mil.* Include DFARS Case 2006–D029 in the subject line of the message.
- *Fax:* 703–602–0350.
- *Mail:* Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, OUSD(AT&L)DPAP(DARS), Room 3B855, 3060 Defense Pentagon, Washington, DC 20301–3060.

All comments received will be posted to *http://emissary.acq.osd.mil/dar/dfars.nsf.*

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

SUPPLEMENTARY INFORMATION:

A. Background

The current DFARS restriction on ball and roller bearings (225.7009) implemented two statutory restrictions: 10 U.S.C. 2534(a)(5) and annual appropriations act restrictions. 10 U.S.C.

2534(a)(5) required that all ball and roller bearings and bearing components, either as end items or components of end items, be wholly manufactured in the United States or Canada. The annual defense appropriations act restrictions require that all ball and roller bearings be produced by a domestic source and be of domestic origin. This restriction does not apply to the acquisition of commercial items (either as components or end products), unless the commercial bearings themselves are purchased as the end products.

In the context of DFARS Part 225, the DAR Council always interprets the term "domestic" to include Canada, unless the statute specifically provides otherwise. Canada is part of the national technology and industrial base as defined at 10 U.S.C. 2500. Congress has never objected to this interpretation of the term "domestic."

Since the restriction at 10 U.S.C. 2534(a)(5) was considered to be more stringent than the annual defense appropriations act restriction, the DFARS requirements that the bearing and the main bearing components must be 100 percent manufactured in the U.S. or Canada was based on 10 U.S.C. 2534(a)(5). 10 U.S.C 2534(a)(5) expired on October 1, 2005.

It is more and more difficult to acquire commercial bearings in which all the main bearing components are 100 percent manufactured in the U.S. or Canada. U.S. and Canadian manufacturers of commercial bearings are increasingly going offshore for components, such as retainers, that do not represent the core competency of the bearing manufacturer. It is often not possible to obtain domestic commercial bearings that do not contain some nondomestic components. The Government does not constitute a large enough share of the market to influence significantly this decision by manufacturers of commercial bearings.

Therefore, this rule proposes to revise the restriction to implement the annual defense appropriations act restriction in a way that will allow more flexibility with regard to the source of bearing components.

The DAR Council interprets the phrase "produced by a domestic source and of domestic origin" to mean that a ball or roller bearing must be manufactured in the U.S. or Canada (domestic source) and the cost of its U.S. and Canadian components must exceed 50 percent of the cost of all its components (of domestic origin). This interpretation is comparable to implementation of the Buy American Act and to some of the other domestic source restrictions in the DFARS. For example, anchor and mooring chain is an appropriations act restriction that also requires the item to be manufactured in the U.S. with the cost of the components manufactured in the U.S. required to exceed 50 percent of the total cost of components. It is reasonable to apply the component test similarly to ball and roller bearings to establish that the bearing is of domestic origin.

This rule was 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.* However, because this rule has impact on the application of domestic source restrictions, DoD has performed an initial regulatory flexibility analysis, which is summarized as follows:

The objective of the rule is to allow more flexibility to domestic bearings manufacturers in the acquisition of nondomestic components. The legal basis for the rule is Section 8065 of the Fiscal Year 2002 DoD Appropriations Act (Pub. L. 107–117) and the same restriction in subsequent DoD appropriations acts.

The final rule affects manufacturers of bearings, bearing components, and noncommercial products that incorporate bearings.

• *Bearings.* This rule applies only to bearings purchased as end products or noncommercial bearings incorporated in noncommercial end products or noncommercial components of noncommercial end products (*see* TAB A). Because this rule allows some element of nondomestic content in ball and roller bearing components, as long as the U.S. or Canadian manufactured bearing contains less than 50 percent nondomestic bearing components, both large and small businesses may find greater numbers of sources from which to obtain ball and roller bearing components. Greater sourcing choices may enable small businesses to compete more successfully for DOD ball and roller bearing acquisitions.

• *Bearing components.* Manufacturers of domestic bearing components may face increased competition from manufacturers of nondomestic bearing components. However, many of the bearing components that are being outsourced are no longer readily available from domestic sources.

• *Manufacturers of noncommercial products incorporating bearings.* Manufacturers of noncommercial products incorporating bearings (both large and small businesses) will find it easier to acquire domestic bearings and will less frequently need to request nonavailability determinations (*see* TAB B).

The proposed rule imposes no reporting, recordkeeping, or other information collection requirements. The rule does not duplicate, overlap, or conflict with any other Federal rules. There are no known significant alternatives to the rule that would meet the requirements of the statute and minimize any significant economic impact of the rule on small entities. The impact of this rule on small business is expected to be predominantly positive.

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 2006–D029.

C. Paperwork Reduction Act

This proposed rule does not impose any new or modified 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.

Ynette R. Shelkin,

Editor, Defense Acquisition Regulations System.

Therefore, DoD proposes to amend 48 CFR part 225 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

2. Revise section 225.7009–2 to read as follows:

225.7009–2 Restriction.

(a) Do not acquire ball and roller bearings unless—

(1) The bearings are manufactured in the United States or Canada; and

(2) For each ball or roller bearing, the cost of the bearing components mined, produced, or manufactured in the United States or Canada exceeds 50 percent of the total cost of the bearing components of that ball or roller bearing.

(b) The restriction at 225.7002–1(b) may also apply to bearings that are made from specialty metals, such as high carbon chrome steel (bearing steel).

3. Revise section 252.225–7016 to read as follows:

252.225–7016 Restriction on Acquisition of Ball and Roller Bearings.

As prescribed in 225.7009–5, use the following clause:

RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (DATE)

(a) *Definitions.* As used in this clause—

(1) *Bearing component* means the bearing element, retainer, inner race, or outer race.

(2) *Component,* other than a bearing component, means any item supplied to the Government as part of an end product or of another component.

(3) *End product* means supplies delivered under a line item of this contract.

(b) Except as provided in paragraph (c) of this clause—

(1) Each ball and roller bearing delivered under this contract shall be manufactured in the United States, its outlying areas, or Canada; and

(2) For each ball or roller bearing, the cost of the bearing components mined, produced, or manufactured in the United States or Canada shall exceed 50 percent of the total cost of the bearing components of that ball or roller bearing.

(c) The restriction in paragraph (b) of this clause does not apply to ball or roller bearings that are acquired as—

(1) Commercial components of a noncommercial end product; or

(2) Commercial or noncommercial components of a commercial component of a noncommercial end product.

(d) The restriction in paragraph (b) of this clause may be waived upon request from the Contractor in accordance with subsection 225.7009–4 of the Defense Federal Acquisition Regulation Supplement.

(e) If this contract includes DFARS clause 252.225–7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals, all bearings that contain specialty metals, as defined in that clause, must meet the requirements of that clause.

(f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts, except those for—

(1) Commercial items; or

(2) Items that do not contain ball or roller bearings.

(End of clause)

[FR Doc. 2010–10766 Filed 5–6–10; 8:45 am]

BILLING CODE 5001–08–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 594

[Docket No. NHTSA 2010–0035; Notice 1]

RIN 2127–AK70

Schedule of Fees Authorized by 49 U.S.C. 30141

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes fees for Fiscal Year 2011 and until further notice, as authorized by 49 U.S.C. 30141, relating to the registration of importers and the importation of motor vehicles not certified as conforming to the Federal motor vehicle safety standards (FMVSS). These fees are needed to maintain the registered importer (RI) program.

DATES: You should submit your comments early enough to ensure that Docket Management receives them no later than June 7, 2010.

ADDRESSES: Comments should refer to the docket and notice numbers above and be submitted by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov*. Follow the online instructions for submitting comments.
- *Mail:* Docket Management Facility: U.S. Department of Transportation, 1200 New Jersey Avenue, SE., West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., between 9 a.m. and 5 p.m. ET, Monday through Friday, except Federal holidays.
- *Fax:* 202–493–2251.

Instructions: For detailed instructions on submitting comments and additional information on the rulemaking process, see the Public Participation heading of the Supplementary Information section of this document. Note that all comments received will be posted without change to *http://www.regulations.gov*, including any personal information provided. Please see the Privacy Act heading below.

Privacy Act: Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, *etc.*). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78) or you may visit *http://DocketInfo.dot.gov*.

Docket: For access to the docket to read background documents or comments received, go to *http://www.regulations.gov* or to the street address listed above. Follow the online instructions for accessing the dockets.

FOR FURTHER INFORMATION CONTACT: Clint Lindsay, Office of Vehicle Safety Compliance, NHTSA (202–366–5291). For legal issues, you may call Nicholas Englund, Office of Chief Counsel, NHTSA (202–366–5263). You may call Docket Management at 202–366–9324. You may visit the Docket in person from 9 a.m. to 5 p.m., Monday through Friday.

SUPPLEMENTARY INFORMATION:

Introduction

On June 24, 1996, at 61 FR 32411, we published a notice that discussed in full the rulemaking history of 49 CFR part 594 and the fees authorized by the Imported Vehicle Safety Compliance Act of 1988, Public Law 100–562, since recodified at 49 U.S.C. 30141–47. The reader is referred to that notice for background information relating to this rulemaking action. Certain fees were initially established to become effective January 31, 1990, and have been periodically adjusted since then.

We are required to review and make appropriate adjustments at least every two years in the fees established for the administration of the RI program. See 49 U.S.C. 30141(e). The fees applicable in any fiscal year (FY) are to be established before the beginning of such year. *Ibid.* We are proposing fees that would become effective on October 1, 2010, the beginning of FY 2011. The statute authorizes fees to cover the costs of the importer registration program, to cover the cost of making import eligibility decisions, and to cover the cost of processing the bonds furnished to the Department of Homeland Security (Customs). We last amended the fee schedule in 2008. See final rule published on September 24, 2008 at 73 FR 54981. Those fees apply to Fiscal Years 2009 and 2010.

The proposed fees are based on time and costs associated with the tasks for which the fees are assessed and reflect the increase in hourly costs in the past two fiscal years attributable to the approximately 4.78 and 2.42 percent raises (including the locality adjustment for Washington, DC) in salaries of employees on the General Schedule that became effective on January 1, 2009, and on January 1, 2010, respectively.