

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Parts 4, 14, 15, and 52**

[FAC 2005–78; FAR Case 2014–001; Item
I; Docket No. 2014–0001, Sequence No. 1]

RIN 9000–AM78

**Federal Acquisition Regulation;
Incorporating Section K in Contracts**

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

ACTION: Final rule.

SUMMARY: DoD, GSA, and NASA are
issuing a final rule amending the
Federal Acquisition Regulation (FAR) to
standardize the incorporation by
reference of representations and
certifications in contracts.

DATES: *Effective:* December 26, 2014.

FOR FURTHER INFORMATION CONTACT: Mr.
Curtis E. Glover, Sr., Procurement
Analyst, at (202) 501–1448, for
clarification of content. For information
pertaining to status or publication
schedules, contact the Regulatory
Secretariat at 202–501–4755. Please cite
FAC 2005–78, FAR Case 2014–001.

SUPPLEMENTARY INFORMATION:**I. Background**

DoD, GSA, and NASA published a
proposed rule in the **Federal Register** at
78 FR 22615 on April 23, 2014, to revise
the language at FAR subpart 4.12,
Representations and Certifications, and
add a new clause at FAR 52.204–19 to
standardize the incorporation by
reference of representations and
certifications in contracts, regardless of
which contract award form is used. FAR
clause 52.212–4 has a new paragraph (v)
to cover this issue for commercial items.
One respondent submitted comments on
the proposed rule.

II. Discussion and Analysis

The Civilian Agency Acquisition
Council and the Defense Acquisition
Regulations Council (the Councils)
reviewed the comments in the
development of the final rule. A
discussion of the comments and the
changes made to the rule as a result of
those comments are provided as
follows:

A. Analysis of Changes

One editorial change was made to the
proposed rule as a result of the public
comments.

B. Analysis of Public Comments**1. Edits**

Comment: The respondent
recommended adding commas to the
changes in FAR parts 14 and 15.

Response: Instead of commas, the
word “see” was added.

2. Out of Scope

Comment: The respondent suggested
revising the last sentence in the
introductory paragraph of FAR 4.1202
(which will become 4.1202(a)) to
include a reference to either 52.212–1 or
52.212–3.

Response: No changes were made for
the out-of-scope suggestion.

Comment: The respondent suggested
that the FAR matrix be revised to
indicate that 52.204–6, 52.204–7,
52.204–13, and possibly, 52.204–12 are
not applicable to commercial items.

Response: No changes were made for
the out-of-scope suggestion.

III. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and
13563 direct agencies to assess all costs
and benefits of available regulatory
alternatives and, if regulation is
necessary, to select regulatory
approaches that maximize net benefits
(including potential economic,
environmental, public health and safety
effects, distributive impacts, and
equity). E.O. 13563 emphasizes the
importance of quantifying both costs
and benefits, of reducing costs, of
harmonizing rules, and of promoting
flexibility. This is not a significant
regulatory action and, therefore, was not
subject to review under section 6(b) of
E.O. 12866, Regulatory Planning and
Review, dated September 30, 1993. This
rule is not a major rule under 5 U.S.C.
804.

IV. Regulatory Flexibility Act

DoD, GSA, and NASA have prepared
a Final Regulatory Flexibility Analysis
(FRFA) consistent with the Regulatory
Flexibility Act, 5 U.S.C. 601, *et seq.* The
FRFA is summarized as follows:

The objective of this final rule is to
standardize the incorporation by reference of
representations and certifications in
contracts.

No issues were raised by the public in
response to the initial regulatory flexibility
analysis. There are no reporting,
recordkeeping, or other compliance
requirements in the final rule. This final rule
is an internal procedure requiring the
contracting officer to acknowledge the small

entity’s representations and certifications by
incorporating them by reference in the
contract award document.

This final rule does not revise or impact
the existing representations and certifications
submitted by small entities; therefore, this
final rule should have no significant
economic impact on a substantial number of
small entities.

Interested parties may obtain a copy
of the FRFA from the Regulatory
Secretariat. The Regulatory Secretariat
has submitted a copy of the FRFA to the
Chief Counsel for Advocacy of the Small
Business Administration.

V. Paperwork Reduction Act

The final rule does not contain any
information collection requirements that
require the approval of the Office of
Management and Budget under the
Paperwork Reduction Act (44 U.S.C.
chapter 35).

**List of Subjects in 48 CFR Parts 4, 14,
15, and 52**

Government procurement.

Dated: November 17, 2014.

William Clark,

*Acting Director, Office of Government-wide
Acquisition Policy, Office of Acquisition
Policy, Office of Government-wide Policy.*

Therefore, DoD, GSA, and NASA
amend 48 CFR parts 4, 14, 15, and 52
as set forth below:

■ 1. The authority citation for 48 CFR
parts 4, 14, 15, and 52 continues to read
as follows:

Authority: 40 U.S.C. 121(c); 10 U.S.C.
chapter 137; and 51 U.S.C. 20113.

PART 4—ADMINISTRATIVE MATTERS

■ 2. Amend section 4.1200 by—

■ a. Removing from the end of
paragraph (a) the word “and”;

■ b. Removing from the end of
paragraph (b) the period and adding “;
and” in its place; and

■ c. Adding paragraph (c) to read as
follows:

4.1200 Scope.

* * * * *

(c) Incorporate by reference the
contractor’s representations and
certifications in the awarded contract.

■ 3. Amend section 4.1201 by adding
paragraph (d) to read as follows:

4.1201 Policy.

* * * * *

(d) The contracting officer shall
incorporate the representations and
certifications by reference in the
contract (see 52.204–19, or for
acquisitions of commercial items see
52.212–4(v)).

■ 4. Amend section 4.1202 by—

- a. Redesignating paragraphs (a) through (cc) as paragraphs (a)(1) through (29), respectively;
- b. Designating the introductory paragraph as paragraph (a); and
- c. Adding a new paragraph (b) to read as follows:

4.1202 Solicitation provision and contract clause.

* * * * *

(b) The contracting officer shall insert the clause at 52.204–19, Incorporation by Reference of Representations and Certifications, in solicitations and contracts.

PART 14—SEALED BIDDING

- 5. Amend section 14.201–1 by adding a sentence at the end of paragraph (c) to read as follows:

14.201–1 Uniform contract format.

* * * * *

(c) * * * The representations and certifications shall be incorporated by reference in the contract by using 52.204–19 (see 4.1202(b)) or for acquisitions of commercial items see 52.212–4(v).

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PART 15—CONTRACTING BY NEGOTIATION

- 6. Amend section 15.204–1 by revising the last sentence of paragraph (b) to read as follows:

15.204–1 Uniform contract format.

* * * * *

(b) * * * The representations and certifications are incorporated by reference in the contract by using 52.204–19 (see 4.1202(b)) or for acquisitions of commercial items see 52.212–4(v).

* * * * *

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

52.204–8 [Amended]

- 7. Amend section 52.204–8 by removing from the introductory text “4.1202” and adding “4.1202(a)” in its place.
- 8. Add section 52.204–19 to read as follows:

52.204–19 Incorporation by Reference of Representations and Certifications.

As prescribed in 4.1202(b), insert the following clause.

Incorporation by Reference of Representations and Certifications (DEC 2014)

The Contractor’s representations and certifications, including those completed

electronically via the System for Award Management (SAM), are incorporated by reference into the contract.

(End of clause)

- 9. Amend section 52.212–4 by revising the date of the clause; and adding paragraph (v) to read as follows:

52.212–4 Contract Terms and Conditions—Commercial Items.

* * * * *

Contract Terms And Conditions—Commercial Items (DEC 2014)

* * * * *

(v) *Incorporation by reference.* The Contractor’s representations and certifications, including those completed electronically via the System for Award Management (SAM), are incorporated by reference into the contract.

* * * * *

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 22 and 53

[FAC 2005–78; FAR Case 2014–011; Item II; Docket No. 2014–0011; Sequence No. 1]

RIN 9000–AM83

Federal Acquisition Regulation: Streamlining Claims Processing

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

ACTION: Final rule.

SUMMARY: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement the Streamlining Claims Processing for Federal Contractor Employees Act which amends the United States Code (U.S.C.) to transfer certain functions from the Government Accountability Office (GAO) to the Department of Labor (DOL) relating to the processing of claims for the payment of workers who were not paid appropriate wages under certain provisions of the U.S.C.

DATES: *Effective:* December 26, 2014.

FOR FURTHER INFORMATION CONTACT: Mr. Edward Loeb, Procurement Analyst, at 202–501–0650 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat at 202–501–

4755. Please cite FAC 2005–78, FAR Case 2014–011.

SUPPLEMENTARY INFORMATION:

I. Background

The Streamlining Claims Processing for Federal Contractor Employees Act (the Act) (Pub. L. 113–50) was enacted on November 21, 2013. The Act transfers certain administrative authorities relating to the processing of claims for the payment of workers who were not paid appropriate wages under certain provisions of title 40 U.S.C. from the GAO to the DOL. One of the specific functions transferred to the DOL at 40 U.S.C. 3144 and 3703 is the authority to pay certain wages. FAR part 22, Application of Labor Laws to Government Acquisitions, which addresses the withholding or suspending of contract payments and the disposition of such payments, requires revision to be consistent with the Act. Specifically, FAR 22.406–9, Withholding from or suspension of contract payments, at paragraph (c), includes instructions regarding the disposition of contract payments that have been withheld or suspended. Also, FAR 22.406–11, Contract terminations, includes instructions for submitting reports when terminations result from violation of labor standards clauses. This final rule revises these FAR sections to appropriately reflect the administrative authorities of the DOL, and to provide a link to the DOL Web site and guidance for disbursement of withheld funds. Reference to Standard Form (SF) 1093, Schedule of Withholdings Under the Construction Wage Rate Requirements Statute (40 U.S.C. Chapter 31, Subchapter IV, Section 3144) and/or the Contract Work Hours and Safety Standards Statute (40 U.S.C. Chapter 37, Section 3703), is deleted. The SF 1093 was previously used to disburse funds to the GAO and is now obsolete.

II. Publication of This Final Rule for Public Comment Is Not Required by Statute

“Publication of proposed regulations”, 41 U.S.C. 1707, is the statute which applies to the publication of the Federal Acquisition Regulation. Paragraph (a)(1) of the statute requires that a procurement policy, regulation, procedure or form (including an amendment or modification thereof) must be published for public comment if it relates to the expenditure of appropriated funds, and has either a significant effect beyond the internal operating procedures of the agency issuing the policy, regulation, procedure or form, or has a significant cost or