# FAR Alert Notice (FAN) Issuance of Proposed Rules and Federal Acquisition Circular 2005-88

This FAR Alert Notice (FAN) provides awareness to the acquisition workforce about upcoming regulatory changes. This FAN highlights noteworthy proposed rules, and interim and final rules recently published in the released Federal Acquisition Circular (FAC) that impact the acquisition workforce.

A brief description of each rule is provided below with hyperlinks to an expanded version of the rules. Agencies are encouraged to disseminate this FAN widely across their acquisition workforce.

### Rules at a Glance

#### **Proposed Rules**

See notice below under Proposed Rules

## FAC 2005-88 (published on May 16, 2016)

FAR Case 2014-026, High Global Warming Potential Hydrofluorocarbons

FAR Case 2015-020, Simplified Acquisition Threshold for Overseas Acquisitions in Support of Humanitarian or Peacekeeping Operations

FAR Case 2011-020, Basic Safeguarding of Contractor Information Systems

FAR Case 2015-018, Improvement in Design-Build Construction Process

<u>Proposed Rules -</u> Proposed rules are published more often than FACs. To provide timely updates to the acquisition community, the proposed rules will now be posted in real time on <u>acquisition.gov</u> - click on Proposed Rules in the moving banner at the top of the page.

To receive automatic email notices of the latest proposed rules as well as other FAR related news, go to <a href="https://listserv.gsa.gov/cgi-bin/wa.exe?A0=ACQUISITIONNEWS">https://listserv.gsa.gov/cgi-bin/wa.exe?A0=ACQUISITIONNEWS</a>, and click on "Subscribe" and select either regular or digest – see below for definitions of regular and digest.<sup>3</sup>

## **Final Rules**

## FAC 2005-88 (Published on May 16, 2016)

## FAR Case 2014-026, High Global Warming Potential Hydrofluorocarbons

This final rule implements Executive branch policy in the President's Climate Action Plan to procure, when feasible, alternatives to high global warming potential hydrofluorocarbons (HFCs). The rule also requires contractors to report annually the amount of HFCs contained in equipment delivered to the Government or added or taken out of Government equipment under service contracts. This will allow agencies to better meet the greenhouse gas emission reduction goals and reporting requirements of the Executive Order 13693 on Planning for Sustainability in the Next Decade. This rule will become effective on June 15, 2016.

<sup>&</sup>lt;sup>1</sup>This FAR Alert was established by the Office of Federal Procurement Policy (OFPP) in 2012 to help improve agency awareness of regulatory changes. GSA prepares the FAN for dissemination to the acquisition workforce via the FAI website. Questions about the individual rules should be directed to the analyst in the "For Further Information Contact" paragraph of the rule.

<sup>&</sup>lt;sup>2</sup> Proposed rules announce future changes being considered to the Code of Federal Regulations (CFR), include proposed regulatory text, and solicit public comments. Interim rules announce immediate changes to the CFR and are effective immediately upon publication, or on a specified date after publication, but may be amended based on public comment. Final rules make permanent changes to the FAR after considering public comment, if required. Final rules are effective on a specified date after publication.

<sup>&</sup>lt;sup>3</sup> Definitions/Instructions - "Regular" means you get one message at a time just like regular email. "Digest", of which there are several types means that instead of getting each message as it is sent, the person gets one message per day made up of all the messages sent to the list that day, the digest usually has an index of subject lines at the top linking to all the messages.

## FAR Case 2015-020, Simplified Acquisition Threshold for Overseas Acquisitions in Support of Humanitarian or Peacekeeping Operations

This final rule amends the FAR to implement 41 U.S.C. 153, which establishes a higher simplified acquisition threshold (SAT) for overseas acquisitions in support of humanitarian or peacekeeping operations. When FAR Case 2003-022 was published as a rule in 2004, the definition for SAT at FAR 2.101 was changed, but the drafters of the rule also inadvertently deleted the reference to overseas humanitarian or peacekeeping missions and the requisite doubling of the SAT in those circumstances. This rule reinstates the increased SAT for overseas acquisitions for peacekeeping or humanitarian operations. This rule will become effective on June 15, 2016.

## FAR Case 2011-020, Basic Safeguarding of Contractor Information Systems

This final rule amends the FAR to add a new FAR subpart 4.19 and contract clause 52.204-21 for the basic safeguarding of covered contractor information systems, i.e., that process, store, or transmit Federal contract information. The clause does not relieve the contractor of any other specific safeguarding requirement specified by Federal agencies and departments as it relates to covered contractor information systems generally or other Federal requirements for safeguarding controlled unclassified information (CUI) as established by Executive Order 13556. This rule will become effective on June 15, 2016.

## FAR Case 2015-018, Improvement in Design-Build Construction Process

This final rule revises the FAR to implement section 814 of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015. When a two-phase design-build construction acquisition is valued at greater than \$4 million, section 814 requires the head of the contracting activity to approve a contracting officer determination to select more than five offerors to submit phase-two proposals. This rule will become effective on June 15, 2016.