

***FAR Alert Notice (FAN)***  
***Issuance of Proposed Rules and Federal Acquisition Circular 2005-83***

This *FAR Alert Notice (FAN)* provides awareness to the acquisition workforce about upcoming regulatory changes.<sup>1</sup> 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.<sup>2</sup>

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**

FAR Case 2014-018, Contractors Performing Private Security Functions  
FAR Case 2014-025, Fair Pay and Safe Workplaces  
FAR Case 2015-019, Definition of Multiple-Award Contract  
FAR Case 2014-015, Consolidation and Bundling of Contract Requirements  
FAR Case 2014-003, Small Business Subcontracting Improvements

**FAC 2005-83 (published on July 2, 2015)**

FAR Case 2014-022, Inflation Adjustment of Acquisition-Related Thresholds  
FAR Case 2015-006, Prohibition on Contracting with Inverted Domestic Corporations – Representation and Notification  
FAR Case 2015-008, Update to Product and Service Codes  
FAR Case 2014-020, Clarification on Justification for Urgent Noncompetitive Awards Exceeding One Year  
FAR Case 2014-017, Prohibition on Contracting with Inverted Domestic Corporations  
FAR Case 2015-010, Permanent Authority for Use of Simplified Acquisition Procedures for Certain Commercial Items

**Proposed Rules**

[FAR Case 2014-018, \*Contractors Performing Private Security Functions\*](#), published on May 27, 2015. This proposed rule proposes to amend the FAR to remove the distinction between Department of Defense (DoD) and non-DoD agency areas of operation applicable for the use of FAR clause “Contractors Performing Private Security Functions Outside the United States” and provide a definition of “full cooperation” within the clause. The public comment period closes July 27, 2015.

[FAR Case 2014-025, \*Fair Pay and Safe Workplaces\*](#), published on May 28, 2015. This proposed rule proposes to amend the FAR to implement the Executive Order “Fair Pay and Safe Workplaces,” which is designed to improve contractor compliance with labor laws and increase efficiency and cost savings in Federal contracting. The public comment period closes July 27, 2015.

[FAR Case 2015-019, \*Definition of Multiple-Award Contract\*](#), published on June 2, 2015. This proposed rule proposes to amend the FAR to define multiple-award contract. The public comment period closes August 3, 2015.

[FAR Case 2014-015, \*Consolidation and Bundling of Contract Requirements\*](#), published on June 3, 2015. This proposed rule proposes to amend the FAR to implement sections of the Small Business Jobs Act of 2010 and regulatory changes made by the Small Business Administration, which provide for a Governmentwide policy on the consolidation and bundling of contract requirements. The public comment period closes August 3, 2015.

[FAR Case 2014-003, \*Small Business Subcontracting Improvements\*](#), published on June 10, 2015. This proposed rule proposes to amend the FAR to implement regulatory changes made by the Small Business Administration, which provide for a Governmentwide policy on small business subcontracting. The public comment period closes August 10, 2015.

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<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 Federal Register Notice.

<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 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.

## **Final Rules**

### **FAC 2005-83 (Published on July 2, 2015)**

#### **[FAR Case 2014-022, \*Inflation Adjustment of Acquisition-Related Thresholds\*](#)**

This final rule amends the FAR to implement the inflation adjustment of acquisition-related dollar thresholds. 41 U.S.C. 1908 requires an adjustment every 5 years of acquisition-related thresholds for inflation using the Consumer Price Index for all urban consumers, except for the Construction Wage Rate Requirements statute (formerly Davis-Bacon Act), Service Contract Labor Standards statute, and trade agreements thresholds. This rule will become effective on October 1, 2015.

#### **[FAR Case 2015-006, \*Prohibition on Contracting with Inverted Domestic Corporations – Representation and Notification\*](#)**

This final rule amends the FAR to require additional actions by contractors to assist contracting officers in ensuring compliance with the Governmentwide statutory prohibition on the use of appropriated (or otherwise made available) funds for contracts with any foreign incorporated entity that is an inverted domestic corporation or to any subsidiary of such an entity. This rule will become effective on November 1, 2015.

#### **[FAR Case 2015-008, \*Update to Product and Service Codes\*](#)**

This final rule amends the FAR to update the descriptions of Federal product and service codes related to exemptions from services contract labor standards, to conform to the current Federal Procurement Data System Product and Service Codes Manual. This rule will become effective on August 3, 2015.

#### **[FAR Case 2014-020, \*Clarification on Justification for Urgent Noncompetitive Awards Exceeding One Year\*](#)**

This final rule amends the FAR to clarify that a determination of exceptional circumstances is needed when a noncompetitive contract awarded on the basis of unusual and compelling urgency exceeds 1 year, either at time of award or due to post-award modifications. This rule will become effective on August 3, 2015.

#### **[FAR Case 2014-017, \*Prohibition on Contracting with Inverted Domestic Corporations\*](#)**

This rule adopts as final, without change, a previously issued interim rule that amends the FAR to address the continuing Governmentwide statutory prohibition on the use of appropriated (or otherwise made available) funds for contracts with any foreign incorporated entity that is an inverted domestic corporation (under 6 U.S.C. 395) or to any subsidiary of such entity. The interim rule was effective on December 15, 2014, and the final rule is effective on July 2, 2015.

#### **[FAR Case 2015-010, \*Permanent Authority for Use of Simplified Acquisition Procedures for Certain Commercial Items\*](#)**

This final rule amends the FAR to make permanent the authority to issue solicitations under subpart 13.5. This rule will become effective on August 3, 2015.