

PART 225—FOREIGN ACQUISITION**225.7004 [Removed and Reserved]**

3. Section 225.7004 is removed and reserved.

225.7004-1 through 225.7004-6 [Removed]

4. Sections 225.7004-1 through 225.7004-6 are removed.

5. Section 225.7005 is revised to read as follows:

225.7005 Waiver of certain restrictions.

Where provided for elsewhere in this subpart, the restrictions on certain foreign purchases under 10 U.S.C. 2534 may be waived as follows:

(a) The head of the contracting activity may waive the restriction on a case-by-case basis upon execution of a determination and findings that any of the following applies:

(1) The restriction would cause unreasonable delays.

(2) United States producers of the item would not be jeopardized by competition from a foreign country, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

(3) Application of the restriction would impede cooperative programs entered into between DoD and a foreign country, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

(4) Satisfactory quality items manufactured in the United States or Canada are not available.

(5) Application of the restriction would result in the existence of only one source for the item in the United States or Canada.

(6) Application of the restriction is not in the national security interests of the United States.

(7) Application of the restriction would adversely affect a U.S. company.

(b) The restriction is waived when it would cause unreasonable costs. The cost of the item of U.S. or Canadian origin is unreasonable if it exceeds 150 percent of the offered price, inclusive of duty, of items which are not of U.S. or Canadian origin.

6. Section 225.7007-4 is revised to read as follows:

225.7007-4 Waiver.

The waiver criteria at 225.7005 apply to this restriction.

7. Section 225.7010-3 is revised to read as follows:

225.7010-3 Waiver.

The waiver criteria at 225.7005 apply to this restriction.

8. Section 225.7016-3 is revised to read as follows:

225.7016-3 Waiver.

The waiver criteria at 225.7005 apply to this restriction.

9. Section 225.7022-3 is revised to read as follows:

225.7022-3 Waiver.

The waiver criteria at 225.7005 apply only to the restriction of 225.7022-1(b).

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**252.212-7001 [Amended]**

10. Section 252.212-7001 is amended by revising the clause date to read "(NOV 1996)" and by removing the entry "_____ 252.225-7017 Preference for United States and Canadian Valves and Machine Tools (10 U.S.C. 2534(c)(2)).".

252.225-7017 [Removed and Reserved]

11. Section 252.225-7017 is removed and reserved.

252.225-7040 [Removed]

12. Section 252.225-7040 is removed.

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48 CFR Part 225**[DFARS Case 96-D331]****Defense Federal Acquisition Regulation Supplement; Ball and Roller Bearings**

AGENCY: Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: The Director of Defense Procurement has issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to reflect the extension of a statutory restriction on the acquisition of ball and roller bearings.

EFFECTIVE DATE: November 15, 1996.

FOR FURTHER INFORMATION CONTACT:

Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD(A&T)DP(DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telephone (703) 602-0131; telefax (703) 602-0350. Please cite DFARS Case 96-D331 in all correspondence related to this issue..

SUPPLEMENTARY INFORMATION:**A. Background**

DoD acquisition of ball and roller bearings is restricted to domestic sources by 10 U.S.C. 2534(a)(5), until October 1, 2000, and by Section 8099 of the Fiscal Year 1996 Defense Appropriations Act (Pub. L. 104-61) and Section 8082 of the Fiscal Year 1997 Defense Appropriations Act (Pub. L. 104-208). This final rule amends DFARS 225.7019-1(b) to reflect the extension of the appropriations act restriction beyond fiscal year 1996.

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, comments from small entities concerning the affected DFARS subpart will be considered in accordance with 5 U.S.C. 610. Such comments should cite DFARS Case 96-D331 in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the final rule does not contain any information collection requirements that require approval by 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

2. Section 225.7019-1 is amended by revising paragraph (b) to read as follows:

225.7019-1 Restrictions.

* * * * *

(b) In accordance with Section 8099 of Public Law 104-61 and similar sections in subsequent Defense appropriations acts, do not use fiscal year 1996 or subsequently appropriated funds to acquire ball and roller bearings other than those produced by a domestic source and of domestic origin, i.e., bearings and bearing components manufactured in the United States or Canada.

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