

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

[Docket No. FAR–2024–0051, Sequence No. 6]

Federal Acquisition Regulation; Federal Acquisition Circular 2025–01; Introduction

AGENCY: Department of Defense (DoD), General Services Administration (GSA),

and National Aeronautics and Space Administration (NASA).

ACTION: Summary presentation of interim rules.

SUMMARY: This document summarizes the Federal Acquisition Regulation (FAR) rules agreed to by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) in this Federal Acquisition Circular (FAC) 2025–01. A companion document, the *Small Entity Compliance Guide* (SECG), follows this FAC.

DATES: For effective dates see the separate documents, which follow.

ADDRESSES: The FAC, including the SECG, is available at <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: The analyst whose name appears in the table below in relation to the FAR case. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov.

RULES LISTED IN FAC 2025–01

Item	Subject	FAR case	Analyst
I	Prohibition on Unmanned Aircraft Systems from Covered Foreign Entities	2024–002	Collins.
II	Clarification of System for Award Management Preaward Registration Requirements	2023–018	Collins.

SUPPLEMENTARY INFORMATION:

Summaries for each FAR rule follow. For the actual revisions and/or amendments made by these FAR rules, refer to the specific item numbers and subjects set forth in the documents following these item summaries. FAC 2025–01 amends the FAR as follows:

Item I—Prohibition on Unmanned Aircraft Systems From Covered Foreign Entities (FAR Case 2024–002)

This interim rule amends the FAR to implement a prohibition on procuring, operating, or using Federal funds on, unmanned aircraft systems (*e.g.*, drones) that are manufactured or assembled by an American Security Drone Act-covered foreign entity. This rule implements the American Security Drone Act of 2023 (subtitle B, title XVIII of the National Defense Authorization Act for Fiscal Year 2024, Pub. L. 118–31, 41 U.S.C. 3901 note prec.). This rule applies to all solicitations and contracts, including contracts at or below the micro-purchase threshold and to contracts for commercial products (including commercially available off-the-shelf items) or for commercial services. The change is not expected to have a significant economic impact on a substantial number of small entities. This interim rule is being implemented as a national security measure to protect sensitive Government information and operations.

Item II—Clarification of System for Award Management Preaward Registration Requirements (FAR Case 2023–018)

This interim rule amends the FAR to clarify System for Award Management preaward registration requirements. Offerors are required to be registered at the time of proposal submission and at time of award, rather than continuously in between. This change is expected to have a positive impact on small businesses who have a minor lapse in registration.

William F. Clark,

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

Federal Acquisition Circular (FAC) 2025–01 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator of National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained

in FAC 2025–01 is effective November 12, 2024.

John M. Tenaglia,

Principal Director, Defense Pricing, Contracting, and Acquisition Policy, Department of Defense.

Jeffrey A. Koses,

Senior Procurement Executive/Deputy CAO, Office of Acquisition Policy, U.S. General Services Administration.

Marvin L. Horne,

Deputy Assistant Administrator for Procurement, National Aeronautics and Space Administration.

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 4, 13, 39, 40, and 52

[FAC 2025–01, FAR Case 2024–002, Item I, Docket No. 2024–0002, Sequence No. 1]

RIN 9000–AO70

Federal Acquisition Regulation; Prohibition on Unmanned Aircraft Systems From Covered Foreign Entities

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

ACTION: Interim rule.

SUMMARY: DoD, GSA, and NASA are issuing an interim rule amending the Federal Acquisition Regulation (FAR) to implement a prohibition on the procurement and operation of unmanned aircraft systems manufactured or assembled by an American Security Drone Act-covered foreign entity.

DATES:

Effective date: November 12, 2024.

Applicability date: Contracting officers shall include the clause at FAR 52.240–1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities, in solicitations issued, and contracts awarded, on or after November 12, 2024, in accordance with FAR 1.108(d); see also section II of this preamble.

Comment date: Interested parties should submit written comments to the Regulatory Secretariat Division at the address shown below on or before January 13, 2025, to be considered in the formation of the final rule.

ADDRESSES: Submit comments in response to FAC 2025–01, FAR Case 2024–002 to the Federal eRulemaking portal at <https://www.regulations.gov> by searching for “FAR Case 2024–002”. Select the link “Comment Now” that corresponds with “FAR Case 2024–002”. Follow the instructions provided on the “Comment Now” screen. Please include your name, company name (if any), and “FAR Case 2024–002” on your attached document. If your comment cannot be submitted using <https://www.regulations.gov>, call or email the points of contact in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

Instructions: Please submit comments only and cite “FAR Case 2024–002” in all correspondence related to this case. Comments received generally will be posted without change to <https://www.regulations.gov>, including any personal and/or business confidential information provided. Public comments may be submitted as an individual, as an organization, or anonymously (see frequently asked questions at <https://www.regulations.gov/faq>). To confirm receipt of your comment(s), please check <https://www.regulations.gov>, approximately two-to-three days after submission to verify posting.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Mr. Benjamin Collins, Procurement Analyst, at 850–826–0058 or by email at benjamin.collins@gsa.gov. For information pertaining to status,

publication schedules, or alternate instructions for submitting comments if <https://www.regulations.gov> cannot be used, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2025–01, FAR Case 2024–002.

SUPPLEMENTARY INFORMATION:**I. Background**

This interim rule revises the FAR to implement the American Security Drone Act of 2023 (subtitle B, title XVIII, National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2024, Public Law 118–31, 41 U.S.C. 3901 note prec.) enacted December 22, 2023.

The unmanned aircraft system (UAS), also referred to as a drone, market has grown substantially in the last decade. Federal agencies use UAS for land-use research, data collection, monitoring the border, and various other tasks. Reliance on UAS, however, complicates the ability of the Federal Government to protect the security of this data, in part because the majority of UAS are manufactured and assembled by foreign-owned entities with affiliations that have divergent interests from those of the United States. Security is imperative when data is collected, stored, and transmitted by UAS for sensitive missions. Use of UAS, without adequate protection for security, increases adversaries’ capabilities to disrupt U.S. Government operations. Compromises to cybersecurity and physical security controls may lead to potential physical effects such as sabotage of Federal property and assets.

This interim rule is intended to respond to these threats by prohibiting the procurement, operation, or use of Federal funds on UAS prohibited by the Federal Acquisition Security Council (FASC).

II. Applicability Dates

Contracting officers shall include the clause at FAR 52.240–1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities, in solicitations issued, and contracts awarded, on or after November 12, 2024.

If exercising an option or modifying an existing contract to extend the period of performance, contracting officers shall include the clause at FAR 52.240–1. When exercising an option, agencies should consider modifying the existing contract to add the clause in a sufficient amount of time to both provide notice for exercising the option and provide contractors with adequate time to comply with the clause. Additionally, contracting officers shall modify

existing indefinite-delivery contracts to include the clause at FAR 52.240–1 in sufficient amount of time to apply to future orders in accordance with FAR 1.108(d)(3).

Note: Although FAR part 37, Service Contracting, is not addressed explicitly, the FAR changes are applicable to supply and service solicitations and contracts.

III. Discussion and Analysis

DoD, GSA, and NASA are amending the FAR consistent with the American Security Drone Act of 2023 (the Act) to prohibit executive agencies from procuring a FASC-prohibited UAS and, on or after December 22, 2025, operating FASC-prohibited UAS. Additionally, the FAR is amended consistent with the Act to prohibit Federal contractors from using Federal funds for the procurement or operation of a FASC-prohibited UAS.

Terminology used throughout this rule is described here to aid in readability. For the purposes of this rule, the term “FASC-prohibited unmanned aircraft system (UAS)” means a UAS manufactured or assembled by an American Security Drone Act-covered foreign entity. In accordance with section 1822 of the Act, the list of American Security Drone Act-covered foreign entities is to be developed and maintained by the FASC and published in the System for Award Management (SAM) at <https://www.sam.gov>.

Additionally, the FAR and other agency acquisition regulations include instances of similar terms to those used in the Act (“covered foreign country,” “covered entity,” etc.) with definitions corresponding to other statutes (e.g., section 889 of the NDAA for FY 2019, section 848 of the NDAA for FY 2020, section 1634 of the NDAA for FY 2018). These terms may be inadvertently confused with the specific prohibited sources addressed by the Act implemented in this rule. Thus, while this rule uses the term “covered foreign entity” in titles of sections and clauses for brevity and parallelism to the Act, it more specifically refers to “American Security Drone Act-covered foreign entity” in this preamble and FAR text for clarity.

Finally, while the Act refers to “covered” UAS, the definition provided in the Act does not differentiate from that of a UAS. Accordingly, to aid in readability and clarity there is no reference to “covered” UAS, but simply UAS.

A. Policy

This rule amends FAR part 40, Information Security and Supply Chain

Security, by establishing subpart 40.2, currently reserved, as Security Prohibitions and Exclusions. In subpart 40.2, the rule adds new sections 40.200, Scope of subpart, 40.201, Definitions, and 40.202, Prohibition on the Procurement and Operation of Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities, with a corresponding new contract clause at 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities. In accordance with section 1833 of Public Law 118-31, 41 U.S.C. 3901 note prec., the requirements of section 40.202 expire on December 22, 2028.

The rule adds a cross-reference in part 39, Acquisition of Information Technology, to call the attention of contracting officers potentially utilizing UAS in broader information technology procurements to the new prohibition. This rule also adds a cross-reference in part 13, Simplified Acquisition Procedures, for awareness of applicability to actions at or below the micro-purchase threshold. Finally, while this prohibition is established in subpart 40.2 as this is the intended primary location for security prohibitions and exclusions going forward, other security prohibitions and exclusions still reside in other areas of the FAR. Accordingly, a cross-reference is added in FAR part 4, Information and Information Matters, where many of the existing security prohibitions and exclusions reside.

B. Prohibition

The prohibition at FAR 40.202-4 includes a phased implementation. Effective immediately, agencies are prohibited from procuring a FASC-prohibited UAS, as published in SAM at <https://www.sam.gov>. Effective on or after December 22, 2025, agencies are also prohibited from procuring services for the operation of a FASC-prohibited UAS, and Federal contractors are prohibited from using Federal funds on FASC-prohibited UAS (see 40.202-3). The prohibitions are implemented through contract clause 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities.

In the near-term, the phased prohibition permits the continued use of previously-acquired UAS that were subsequently identified as FASC-prohibited, as well as contractor operation of UAS in services where the UAS is not a deliverable (e.g., a

contractor flies a UAS for aerial surveillance on a security contract or a contractor uses a UAS for analyzing crop and soil conditions as part of services performed under an agriculture-related contract). This is consistent with the effectivity of the prohibition in sections 1823 and 1826 of Public Law 118-31 (41 U.S.C. 3901 note prec.), with the enactment of the NDAA of FY 2024 (December 22, 2023) and the effectivity of sections 1824 and 1825 deferred until two years later (December 22, 2025).

C. Statute Implementation Considerations

The Act includes numerous sections pertaining to Federal acquisition. The sections include differing scope, timelines, and audiences. For example, both sections 1823 and 1826 immediately prohibit agencies from procuring FASC-prohibited UAS, whereas section 1824 goes into effect in December 2025 and prohibits agencies from operating (or contracting for the operation of) FASC-prohibited UAS. Section 1825 also goes into effect December 2025 and prohibits the use of Federal funds for the procurement or operation of FASC-prohibited UAS.

While piecemeal implementation of the various sections could be accommodated through numerous rulemaking undertakings, a consolidated and integrated rule for the implementation of the Act, as a whole, more efficiently fulfills the FAR's purpose of establishing uniform policies and procedures for acquisition by all executive agencies in accordance with FAR 1.101 (see 41 U.S.C. 1121(b)). For example, while the prohibition on operation of a FASC-prohibited UAS is not effective until December 2025, publishing and incorporating the rule into the FAR now better prepares agencies and contractors to more efficiently plan for, and comply with, the Act's prohibitions given typical acquisition and rulemaking timelines.

This rule seeks to harmonize and simplify the disparate, but interrelated, sections of the Act pertinent to Federal contracting. Thus, while precise references are provided where appropriate, the rule often speaks more broadly to the Act versus a specific section of the Act. Additionally, a few conservative adjustments between statute and regulation were made where needed for more efficient administration. For example, the statute's frequently used "in the connection with the operation of" a FASC-prohibited UAS was implemented more simply as "operation of." While "in connection with" could

conceivably capture an activity ancillary to operation (e.g., a contractor servicing the airfield where a FASC-prohibited UAS may fly out of), it is unclear how far that may extend. DoD, GSA, and NASA perceived the principal aim of this terminology to be the operation of a FASC-prohibited UAS. This perception was based upon a plain reading of the statute as well as supporting documentation, such as the Committee on Homeland Security and Governmental Affairs United States Senate Report 118-87 to accompany Senate bill 473, which more simply focused on the prohibition on the "operation of" the UAS versus the less defined "in connection with the operation of" a UAS. This implementation was viewed as not only a readability improvement but also a streamlining of an otherwise unwieldy and open-ended phrase that may inhibit understanding and compliance by the acquisition community.

D. Exemptions, Exceptions, and Waivers

The Act includes exemptions, exceptions, and waivers. As shown at FAR 40.202-4(a), exemptions apply to the Department of Homeland Security, the Department of Defense, the Department of State, and the Department of Justice if the procurement or operation is determined to be in the national interest of the United States and meets specific criteria outlined in the statute.

Exemptions also apply to the Department of Transportation for UAS in support of the safe, secure, or efficient operation of the National Airspace System and maintenance of public safety, among other activities. These exemptions are summarized in FAR 40.202-4(b).

Similarly, an exemption applies to the National Transportation Safety Board (NTSB) for the purposes of conducting safety investigations. This exemption is summarized in FAR 40.204-4(c). It should be noted that while Congress authorized this NTSB safety investigation exemption for agency procurement and operation (sections 1823 and 1824 of the Act), it did not provide a parallel NTSB safety investigation exemption for use of Federal funds (section 1825). Thus, for purposes of consistency in implementation, and to carry out the intent of Congress, the FAR Council has conformed the NTSB safety investigation exemption for not only agency procurement and operation, but also contractor use of Federal funds.

Finally, an exemption is afforded to the National Oceanic and Atmospheric Administration for meeting science or

management objectives or operational mission. This exemption is summarized in FAR 40.202–4(d).

In accordance with section 1832 of the Act, FAR 40.202–5 outlines exceptions for wildfire management operations, search and rescue operations, intelligence activities, and Tribal law enforcement. Additionally, FAR 40.202–6 authorizes heads of executive agencies waiver authority, on a case-by-case basis, with approval from the Director of the Office of Management and Budget, after consultation with the FASC, and upon notification to appropriate congressional committees.

E. Definitions

Section 40.201 is created to define the terms “American Security Drone Act-covered foreign entity,” “unmanned aircraft,” and “unmanned aircraft system,” which are derived from statute. A UAS is comprised of both an unmanned aircraft and the associated elements required for the operator to operate safely and efficiently in the national airspace system. Also of note, while the term “drone” is used in the title of the statute being implemented, it is not a defined term in the Act or this rule. Nevertheless, “drone” is referenced for plain language purposes in several instances and is considered roughly equivalent to “unmanned aircraft” (*i.e.*, the air vehicle itself versus the more comprehensive system required to operate the drone). While the term “unmanned aircraft” is defined in statute and provided in section 40.201, the term “associated elements” is not.

Section 1823 of the Act tasks the FASC, in coordination with the Secretary of Transportation, with developing and updating a list of associated elements. The FASC definition of associated elements was not available in time for the publication of this rule. However, the FAR Council does intend to incorporate the FASC’s definition of associated elements in the final rule. Additionally, although the tasking to the FASC for defining associated elements is only referenced in section 1823, the FAR Council anticipates it applying to the broader implementation of the Act (*e.g.*, pertinent to sections 1824, 1825, 1826, etc.).

The term “FASC-prohibited unmanned aircraft system” is created to aid in the readability of the FAR text, provide better linkage to FASC-maintained list on SAM.gov, and provide for more specificity than simply “prohibited” given other prohibitions that may be involved in a specific

acquisition (*e.g.*, debarred contractor, contractor with delinquent tax liabilities or felony convictions). This new term is defined as a UAS manufactured or assembled by an American Security Drone Act-covered foreign entity.

It should also be noted that while the prohibition clearly applies to an American Security Drone Act-covered foreign entity that manufactures or assembles a UAS (*i.e.*, an unmanned aircraft or associated element), it does not necessarily prevent an American Security Drone Act-covered foreign entity from supplying a part, for example, that may be used by another entity to assemble or manufacture the unmanned aircraft or associated element. Agencies are encouraged to consult agency-specific guidelines or procedures, as well as emerging Governmentwide policies for the procurement of UAS (see section 1829 of the Act), for more detail on security considerations at levels of assembly below that of a UAS (*i.e.*, an unmanned aircraft or associated element).

F. Applicability to Actions at or Below the Micro-Purchase Threshold

The rule also adds text in subpart 13.2, Actions at or Below the Micro-Purchase Threshold, to address the prohibition with regard to micro-purchases.

IV. Specific Questions for Comment

DoD, GSA, and NASA considered implementation of various compliance elements when drafting this rule. Specifically, DoD, GSA, and NASA are considering adding requirements for offerors and contractors to disclose and report certain information to contracting officers.

A contemplated disclosure requirement would provide offerors a mechanism for identifying the proposed or contemplated delivery or use of a FASC-prohibited UAS to the contracting officer, and why it may be appropriate (*e.g.*, how a FASC-prohibited UAS is proposed to be modified to preclude transfer to, or download data from, an American Security Drone Act-covered foreign entity or otherwise pose no national security or cybersecurity risk).

Finally, a contemplated reporting requirement would compel contractors in procurements with no exemption, exception, or waiver to maintain awareness of changes to the FASC-maintained list of American Security Drone Act-covered foreign entities and inform the contracting officer if a utilized UAS which was not prohibited at the time of solicitation or award was subsequently prohibited. Additionally, contemplated reporting requirements

could compel contractors to report specific information to agency officials if a UAS (FASC-prohibited or otherwise) was compromised and information or operations made vulnerable.

DOD, GSA, and NASA welcome input on the following considerations:

- What challenges do you anticipate regarding compliance with the contemplated disclosure requirement?
- What challenges do you anticipate regarding compliance with the contemplated reporting requirement?
- Would more detail regarding “Federal funds” (*e.g.*, text similar to FAR 52.203–12(b)) be helpful in complying with the prohibition on the use of Federal funds in the procurement or operation of FASC-prohibited UAS?
- What other suggestions do you have to ensure Government customers are aware of, and can mitigate, risks posed by FASC-prohibited UAS?

V. Applicability to Contracts at or Below the Simplified Acquisition Threshold (SAT) and for Commercial Products (Including Commercially Available Off-the-Shelf (COTS) Items), or for Commercial Services

This rule adds a new contract clause at FAR 52.240–1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities, to implement the requirements of the Act.

A. Applicability to Contracts at or Below the Simplified Acquisition Threshold

The statute at 41 U.S.C. 1905 governs the applicability of laws to acquisitions at or below the SAT. Section 1905 generally limits the applicability of new laws when agencies are making acquisitions at or below the SAT, but provides that such acquisitions will not be exempt from a provision of law under certain circumstances, including when the FAR Council makes a written determination and finding that it would not be in the best interest of the Federal Government to exempt contracts and subcontracts in amounts not greater than the SAT from the provision of law. The FAR Council made a determination to apply this statute to acquisitions at or below the SAT.

B. Applicability to Contracts for the Acquisition of Commercial Products (Including Commercially Available Off-The-Shelf (COTS) Items), or for Commercial Services

The statute at 41 U.S.C. 1906 governs the applicability of laws to contracts for the acquisition of commercial products and commercial services and is intended to limit the applicability of

laws to contracts for the acquisition of commercial products and commercial services. Section 1906 provides that if the FAR Council makes a written determination that it is not in the best interest of the Federal Government to exempt commercial contracts, the provision of law will apply to contracts for the acquisition of commercial products and commercial services.

The statute at 41 U.S.C. 1907 states that acquisitions of COTS items will be exempt from certain provisions of law unless the Administrator for Federal Procurement Policy makes a written determination and finds that it would not be in the best interest of the Federal Government to exempt contracts for the procurement of COTS items.

The FAR Council made a determination to apply this statute to acquisitions for commercial products and commercial services. The Administrator for Federal Procurement Policy made a determination to apply this statute to acquisitions for COTS items.

C. Determinations

The FAR Council has determined that it is in the best interest of the Government to apply the rule to contracts at or below the SAT and for the acquisition of commercial products and commercial services. The Administrator for Federal Procurement Policy has determined that it is in the best interest of the Government to apply this rule to contracts for the acquisition of COTS items.

While the law does not specifically address acquisitions of commercial products and commercial services, including COTS items, there is an unacceptable level of risk for the Government in allowing the procurement, provision, or utilization of UAS manufactured or assembled by an American Security Drone Act-covered foreign entity, or products or services in connection with the operation of such UAS. This level of risk is not alleviated by the fact that the service or product being acquired has been sold or offered for sale to the general public, either in the same form or a modified form as sold to the Government (*i.e.*, that it is a commercial product or COTS item), nor by the small size of the purchase (*i.e.*, at or below the SAT). In fact, Senate Report 118–87 specifically highlights the commercial UAS market as an area of concern given market share dominance and potential cybersecurity risks posed by many of these COTS UAS. As a result, agencies may face increased risk of exposure if use of such UAS is allowed on a contract for commercial services or commercial

products (including COTS items). The prohibitions on procuring, providing, or using such UAS in the performance of a Federal contract is a national security measure to protect sensitive Government information and operations.

VI. Severability

While this rule is intended to be implemented in full, reasoned consideration has been given for potential partial implementation scenarios. If any portion (*e.g.*, section, clause, sentence) of this rule is held to be invalid or unenforceable facially, or as applied to any entity or circumstance, it shall be severable from the remainder of this rule, and shall not affect the remainder thereof, or its application to entities not similarly situated or to other dissimilar circumstances. The various portions of this rule are independent and serve distinct purposes. Even if one aspect were rendered invalid, the other benefits of the rule would still be applicable. As an illustrative but not exhaustive example, were a court to stay or invalidate the prohibition on the operation of a FASC-prohibited UAS effective December 22, 2025, the agencies would intend the prohibition on the procurement of a FASC-prohibited UAS would remain effective.

VII. Expected Impact of the Rule

This rule is not expected to have a significant economic impact on businesses. Federal expenditure in the sector is expected to remain largely unchanged. The Congressional Budget Office cost estimate for the Act estimated any net changes in spending would be less than \$500,000 over the 2024 to 2033 period. While the prohibitions on procurement, operation, and use of funds may drive further change to the UAS supplier base for the Federal Government, that change is already underway across numerous agencies. Alternative suppliers exist and continue to emerge.

Additionally, while the changes require Federal agencies and prime contractors engaged in the use of UAS to further scrutinize their sources of supply, the fundamental tools for supply chain awareness and security should be in place and largely unchanged.

The overall benefit of this rule is to protect Government information and operations from vulnerabilities associated with FASC-prohibited UAS.

VIII. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 (as amended by E.O. 14094) 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 a significant regulatory action and, therefore, was subject to review under Section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993.

IX. Congressional Review Act

Pursuant to the Congressional Review Act, DoD, GSA, and NASA will send this rule to each House of the Congress and to the Comptroller General of the United States. The Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget has determined that this rule does not meet the definition in 5 U.S.C. 804(2).

X. Regulatory Flexibility Act

DoD, GSA, and NASA do not expect this interim 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. 601–612. Nevertheless, an Initial Regulatory Flexibility Analysis (IRFA) has been performed and is summarized as follows:

DoD, GSA, and NASA are amending the FAR to implement the prohibition on procuring, operating, or using Federal funds on, UAS that are manufactured or assembled by an American Security Drone Act-covered foreign entity.

This interim rule is being implemented as a national security measure to protect sensitive Government information and operations. The legal basis for the rule is the American Security Drone Act of 2023 (subtitle B, title XVIII of the NDAA for FY 2024, Pub. L. 118–31, 41 U.S.C. 3901 note prec.), which prohibits procurement and operation of UAS manufactured or assembled by American Security Drone Act-covered foreign entities, as well as contractor use of Federal funds on such UAS. Promulgation of the FAR is authorized by 40 U.S.C. 121(c); 10 U.S.C. chapter 4 and 10 U.S.C. chapter 137 legacy provisions (see 10 U.S.C. 3016); and 51 U.S.C. 20113.

This rule applies to entities, small and other than small entities, that provide to Government agencies UAS and on or after December 22, 2025, operation of a UAS. While drones may be used in many types of contracts, a specific Product and Service Code (PSC), 1550—Unmanned Aircraft, is available for contracting officers to explicitly identify procurements for unmanned aircraft. PSC 1550 applies to complete unmanned aircraft systems and subordinate air vehicles and includes unmanned aircraft systems and

drones specifically designed for uses such as targeting, training, surveillance, photographic reconnaissance, weapons delivery, communications relay/network gateway, electronic warfare, search and rescue, and various other operations. According to Federal Procurement Data System (FPDS) data for FY 2023, 100 unique entities were awarded Federal contracts under PSC 1550, with a total contract value of \$2,411,790,985. Small entities accounted for less than 10 percent of the contracted dollar value (\$218 million of the \$2.4 billion) but constituted 68 percent of the unique entities. Based on this dataset, approximately 68 small entities would be impacted by this rule.

The rule does not include any reporting or recordkeeping requirements. Other compliance requirements are not expected to carry significant burden. Small entities that do business with the Federal Government should be familiar with other similar prohibitions, including the Federal Acquisition Supply Chain Security Act Orders, which function in a comparable manner. Based upon FPDS data for PSC 1550 in FY 2023, all 68 small entities awarded contracts were incorporated in the United States and 65 of the 68 indicated the United States as the country of product or service origin and 64 of the 68 indicated the United States as the place of manufacture. While place of manufacture is not the sole factor in the FASC's determination of American Security Drone Act-covered foreign entities, it is a significant factor. Accordingly, while small entities conducting drone-related business with the Federal Government will need to familiarize themselves with the new clause at 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities, relatively limited impact is anticipated to the Federal contract small entity industrial base.

The rule does not duplicate, overlap, or conflict with any other Federal rules.

There are no available alternatives to the interim rule to accomplish the desired objective of the statute. Because of the nature of the prohibition enacted by the American Security Drone Act of 2023, it is not possible to exempt small entities from coverage of the rule.

The Regulatory Secretariat Division has submitted a copy of the IRFA to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the IRFA may be obtained from the Regulatory Secretariat Division. DoD, GSA, and NASA invite comments from small business concerns and other interested parties on the expected impact of this interim rule on small entities.

DoD, GSA, and NASA will also consider comments from small entities concerning the existing regulations in subparts affected by the rule in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 610 (FAR Case 2024-002), in correspondence.

XI. Paperwork Reduction Act

This 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. 3501-3521).

XII. Determination To Issue an Immediately Effective Interim Rule

A determination has been made under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator of the National Aeronautics and Space Administration that urgent and compelling reasons exist to promulgate this interim rule effective immediately without prior opportunity for public comment, see 41 U.S.C. 1707(d). This action is necessary to implement the prohibition in the American Security Drone Act of 2023 (the Act) on the procurement of unmanned aircraft systems (UAS) prohibited by the Federal Acquisition Security Council (FASC) that was effective with the enactment of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2024 (Pub. L. 118-31, 41 U.S.C. 3901 note prec.) on December 22, 2023, in accordance with sections 1823 and 1826.

Sections 1824 and 1825 of the Act also require implementation through the FAR, although the associated prohibitions are not effective until two years after the enactment of the NDAA for FY 2024, or December 22, 2025. Section 1824 prohibits the operation of FASC-prohibited UAS, and section 1825 prohibits the use of Federal funds on FASC-prohibited UAS. Despite the deferred effectivity, the Act requires the Federal Acquisition Regulatory Council to prescribe regulations or guidance necessary for implementation of section 1825 within 180 days of the enactment of the NDAA for FY 2024.

This interim rule is being implemented as a national security measure to protect sensitive Government information and operations. Issuing an immediately effective interim rule facilitates uniformity and consistency across Government, limits the chance of incorrect implementation, prevents the need for contracting officers to relearn or change procedures if agency-specific guidance differs from the FAR implementation, and aids industry with compliance. However, pursuant to 41 U.S.C. 1707 and FAR 1.501-3(b), the Department of Defense, General Services Administration, and National Aeronautics and Space Administration will consider public comments received

in response to this interim rule in the formation of the final rule.

List of Subjects in 48 CFR Parts 4, 13, 39, 40, and 52

Government procurement.

William F. Clark,

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, 13, 39, 40, and 52 as set forth below:

■ 1. The authority citation for 48 CFR parts 4, 13, 39, 40, and 52 continues to read as follows:

Authority: 40 U.S.C. 121(c); 10 U.S.C. chapter 4 and 10 U.S.C. chapter 137 legacy provisions (see 10 U.S.C. 3016); and 51 U.S.C. 20113.

PART 4—ADMINISTRATIVE AND INFORMATION MATTERS

■ 2. Revise section 4.000 to read as follows:

4.000 Scope of part.

(a) This part prescribes policies and procedures relating to the administrative aspects of contract execution, contractor-submitted paper documents, distribution, reporting, retention, and files.

(b) Additionally, this part includes policies and procedures to implement security prohibitions and exclusions that restrict Federal agencies from procuring, obtaining, or using certain products, services, or sources. Additional security prohibitions and exclusions are found at subparts 25.7 and 40.2.

PART 13—SIMPLIFIED ACQUISITION PROCEDURES

■ 3. Amend section 13.201 by adding paragraph (m) to read as follows:

13.201 General.

* * * * *

(m) The prohibitions on unmanned aircraft systems (e.g., drones) in 40.202 apply to purchases at or below the micro-purchase threshold.

PART 39—ACQUISITION OF INFORMATION TECHNOLOGY

■ 4. Amend section 39.101 by adding paragraph (i) to read as follows:

39.101 Policy.

* * * * *

(i) Executive agencies must comply with the prohibitions on unmanned aircraft systems (e.g., drones) in accordance with 40.202.

PART 40—INFORMATION SECURITY AND SUPPLY CHAIN SECURITY

■ 5. Add subpart 40.2 to read as follows:

Subpart 40.2—Security Prohibitions and Exclusions

Sec.

40.200 Scope of subpart.

40.201 Definitions.

40.202 Prohibition on the procurement and operation of unmanned aircraft systems manufactured or assembled by American Security Drone Act-covered foreign entities.

40.202–1 Scope.

40.202–2 Applicability.

40.202–3 Prohibition.

40.202–4 Exemptions.

40.202–5 Exceptions.

40.202–6 Waivers.

40.202–7 Procedures.

40.202–8 Contract clause.

Subpart 40.2—Security Prohibitions and Exclusions**40.200 Scope of subpart.**

(a) This subpart provides policies and procedures to implement security prohibitions and exclusions that restrict Federal agencies from procuring, obtaining, or using certain products, services, or sources.

(b) The following prohibitions and exclusions are implemented in this subpart:

(1) The American Security Drone Act of 2023, of the National Defense Authorization Act for Fiscal Year 2024 (Pub. L. 118–31, 41 U.S.C. 3901 note prec.), which provides a prohibition on the procurement and operation of unmanned aircraft systems.

(2) [Reserved]

(c) Additional security prohibitions and exclusions are found at subparts 4.20 through 4.23 and 25.7.

40.201 Definitions.

As used in this subpart—

American Security Drone Act-covered foreign entity means an entity included on a list developed and maintained by the Federal Acquisition Security Council (FASC) and published in the System for Award Management (SAM) at <https://www.sam.gov> (section 1822 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

FASC-prohibited unmanned aircraft system means an unmanned aircraft system manufactured or assembled by an American Security Drone Act-covered foreign entity.

Unmanned aircraft means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft (49 U.S.C. 44801(11)).

Unmanned aircraft system means an unmanned aircraft and associated elements (including communication links and the components that control the unmanned aircraft) that are required for the operator to operate safely and efficiently in the national airspace system (49 U.S.C. 44801(12)).

40.202 Prohibition on the procurement and operation of unmanned aircraft systems manufactured or assembled by American Security Drone Act-covered foreign entities.**40.202–1 Scope.**

(a) Section 40.202 prescribes policies and procedures regarding the procurement and operation of unmanned aircraft systems, which includes unmanned aircraft (*i.e.*, drones) and associated elements.

(b) The authorities in 40.202 expire on December 22, 2028 (section 1833 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

40.202–2 Applicability.

Section 40.202 applies to all acquisitions, including contracts at or below the micro-purchase threshold and to contracts for commercial products or for commercial services.

40.202–3 Prohibition.

Unless an exemption, exception, or waiver applies (see 40.202–4, 40.202–5, and 40.202–6, respectively), executive agencies are prohibited from—

(a) Procuring a FASC-prohibited unmanned aircraft system (section 1823 and 1826 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.). The prohibition includes extending or renewing a contract (*e.g.*, exercising an option);

(b) On or after December 22, 2025, procuring services for the operation of a FASC-prohibited unmanned aircraft system (section 1824 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.). The prohibition includes extending or renewing a contract (*e.g.*, exercising an option); and

(c) On or after December 22, 2025, using Federal funds for the procurement or operation of a FASC-prohibited unmanned aircraft system (section 1825 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

40.202–4 Exemptions.

The prohibitions in 40.202 do not apply to the following (see sections 1823, 1824, and 1825 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.):

(a) *Department of Homeland Security, Department of Defense, Department of State, and the Department of Justice exemptions.* The Secretary of Homeland Security, the Secretary of Defense, the Secretary of State, and the Attorney

General are exempt from the prohibitions in 40.202 if the procurement or operation is required in the national interest of the United States and—

(1) Is for the sole purposes of research, evaluation, training, testing, or analysis for electronic warfare, information warfare operations, cybersecurity, or development of unmanned aircraft system or counter-unmanned aircraft system technology;

(2) Is for the sole purposes of conducting counterterrorism or counterintelligence activities, protective missions, or Federal criminal or national security investigations, including forensic examinations, or for electronic warfare, information warfare operations, cybersecurity, or development of an unmanned aircraft system or counter-unmanned aircraft system technology; or

(3) Is an unmanned aircraft system that, as procured or as modified after procurement but before operational use, can no longer transfer to, or download data from, an American Security Drone Act-covered foreign entity and otherwise poses no national security cybersecurity risks as determined by the exempting official, as described in agency procedures.

(b) *Department of Transportation exemption.* The Secretary of Transportation is exempt from the prohibitions in 40.202 if the operation or procurement is deemed to support the safe, secure, or efficient operation of the National Air Space System or maintenance of public safety.

(c) *National Transportation Safety Board exemption.* The National Transportation Safety Board, in consultation with the Secretary of Homeland Security, is exempt from the prohibitions in 40.202 if the operation or procurement is necessary for the sole purpose of conducting safety investigations.

(d) *National Oceanic and Atmospheric Administration (NOAA) exemption.* The Administrator of NOAA, in consultation with the Secretary of Homeland Security, is exempt from the prohibitions of 40.202 if the operation or procurement for the purposes of meeting NOAA's science or management objectives or operational mission.

40.202–5 Exceptions.

The prohibitions in this section do not apply to the following (section 1832 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.):

(a) *Wildfire management operations and search and rescue operations exemption.* The prohibitions in 40.202

do not apply to an appropriate Federal agency to the extent that an authorized official at the agency, in consultation with the Secretary of Homeland Security, determines that the procurement or operation is necessary for the purposes of supporting the full range of wildfire management operations or search and rescue operations.

(b) *Intelligence activities exception.* The prohibitions of 40.202 do not apply to any activity subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C. 3091 *et seq.*), any authorized intelligence activities of the United States, or any activity or procurement that supports an authorized intelligence activity.

(c) *Tribal law enforcement or emergency service agency exception.* The prohibitions in 40.202 do not apply to Tribal law enforcement or Tribal emergency service agencies to the extent that an authorized official at the agency, in consultation with the Secretary of Homeland Security, determines that the procurement or operation is necessary for the purposes of supporting the full range of law enforcement operations or search and rescue operations on Indian lands.

40.202-6 Waivers.

The head of the agency may waive the prohibitions under 40.202 on a case-by-case basis in accordance with agency procedures and based on the statutory waiver provisions (sections 1823, 1824, and 1825 of Pub. L. 118-31, 41 U.S.C. 3901 note prec.)—

(a) With the approval of the Director of the Office of Management and Budget, after consultation with the FASC; and

- (b) Upon notification to—
 - (1) The Committee on Homeland Security and Governmental Affairs of the Senate;
 - (2) The Committee on Oversight and Accountability in the House of Representatives; and
 - (3) Other appropriate congressional committees of jurisdiction.

40.202-7 Procedures.

(a) *Documenting exemptions, exceptions, or waivers.* The contracting officer shall document the file with any exemption, exception, or waiver provided by the program office or requiring activity. Additionally, the contracting officer shall work with the program office or requiring activity to ensure the presence and scoping of any such exemptions, exceptions, or waivers are identified in the solicitation and resultant contract.

(b) *Assessment of unmanned aircraft systems.* Except where an exemption, exception, or waiver applies, the contracting officer shall work with the program office or requiring activity to review proposals to ensure they are not proposing delivery of a FASC-prohibited unmanned aircraft system. On or after December 22, 2025, this assessment shall expand to include review for not only proposed delivery, but also operation, of a FASC-prohibited unmanned aircraft system.

40.202-8 Contract clause.

Insert the clause at 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities, in all solicitations and contracts.

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

- 6. Amend section 52.212-5 by—
 - a. Revising the date of the clause;
 - b. Redesignating paragraphs (b)(63) and (64) as paragraphs (b)(64) and (65) and adding a new paragraph (b)(63);
 - c. Redesignating paragraph (e)(1)(xxvi) as paragraph (e)(1)(xxvii) and adding a new paragraph (e)(1)(xxvi); and
 - d. In alternate II:
 - i. Revising the date of the alternate; and
 - ii. Redesignating paragraph (e)(1)(ii)(Y) as paragraph (e)(1)(ii)(Z) and adding a new paragraph (e)(1)(ii)(Y).

The additions and revisions read as follows:

52.212-5 Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Products and Commercial Services.

Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Products and Commercial Services (Nov 2024)

* * * * *

(b) * * *

___(63) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024) (Sections 1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

* * * * *

(e)(1) * * *

(xxvi) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024) (Sections

1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

* * * * *

Alternate II (Nov 2024). * * *

(e)(1) * * *

(ii) * * *

(Y) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024) (Sections 1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

* * * * *

- 7. Amend section 52.213-4 by—
 - a. Revising the date of the clause and paragraph (a)(2)(vii); and
 - b. Redesignating paragraph (b)(1)(xxii) as paragraph (b)(1)(xxiii) and adding a new paragraph (b)(1)(xxii).

The revisions and addition read as follows:

52.213-4 Terms and Conditions—Simplified Acquisitions (Other Than Commercial Products and Commercial Services).

* * * * *

Terms and Conditions—Simplified Acquisitions (Other Than Commercial Products and Commercial Services) (Nov 2024)

(a) * * *

(2) * * *

(vii) 52.244-6, Subcontracts for Commercial Products and Commercial Services (Nov 2024).

* * * * *

(b) * * *

(1) * * *

(xxii) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024). (Sections 1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

* * * * *

- 8. Add section 52.240-1 to read as follows:

52.240-1 Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities.

As prescribed in 40.202-8, insert the following clause:

Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024)

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

American Security Drone Act—covered foreign entity means an entity included on a list developed and maintained by the Federal Acquisition

Security Council (FASC) and published in the System for Award Management (SAM) at <https://www.sam.gov> (section 1822 of the National Defense Authorization Act for Fiscal Year 2024, Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

FASC-prohibited unmanned aircraft system means an unmanned aircraft system manufactured or assembled by an American Security Drone Act—covered foreign entity.

Unmanned aircraft means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft (49 U.S.C. 44801(11)).

Unmanned aircraft system means an unmanned aircraft and associated elements (including communication links and the components that control the unmanned aircraft) that are required for the operator to operate safely and efficiently in the national airspace system (49 U.S.C. 44801(12)).

(b) *Prohibition.* The Contractor is prohibited from—

(1) Delivering any FASC-prohibited unmanned aircraft system, which includes unmanned aircraft (*i.e.*, drones) and associated elements (sections 1823 and 1826 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.);

(2) On or after December 22, 2025, operating a FASC-prohibited unmanned aircraft system in the performance of the contract (section 1824 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.); and

(3) On or after December 22, 2025, using Federal funds for the procurement or operation of a FASC-prohibited unmanned aircraft system (section 1825 of Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

(c) *Procedures.* The Contractor shall search SAM at <https://www.sam.gov> for the FASC-maintained list of American Security Drone Act—covered foreign entities prior to proposing, or using in performance of the contract, any unmanned aircraft system. Additionally, the Contractor shall ensure any effort or expenditure associated with a FASC-prohibited unmanned aircraft system is consistent with a corresponding exemption, exception, or waiver determination expressly stated in the contract.

(d) *Exemptions, exceptions, and waivers.* The prohibitions in this clause do not apply where the agency has determined an exemption, exception, or waiver applies and the contract indicates that such a determination has been made. See sections 1823 through 1825 and 1832 of Public Law 118–31 (41 U.S.C. 3901 note prec.) for statutory requirements pertaining to exemptions, exceptions, and waivers.

(e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial products or commercial services.

(End of clause)

- 9. Amend section 52.244–6 by—
- a. Revising the date of the clause; and
- b. Redesignating paragraph (c)(1)(xxiii) as paragraph (c)(1)(xxiv) and adding a new paragraph (c)(1)(xxiii).

The revision and addition read as follows:

52.244–6 Subcontracts for Commercial Products and Commercial Services.

* * * * *
 Subcontracts for Commercial Products and Commercial Services (Nov 2024)

* * * * *
 (c)(1) * * *
 (xxiii) 52.240–1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act—Covered Foreign Entities (Nov 2024) (Sections 1821–1826, Pub. L. 118–31, 41 U.S.C. 3901 note prec.).

* * * * *
 [FR Doc. 2024–26061 Filed 11–8–24; 8:45 am]
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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Part 52

[FAC 2025–01, FAR Case 2023–018; Item II; Docket No. FAR–2023–0018; Sequence No. 1]

RIN 9000–AO66

Federal Acquisition Regulation: Clarification of System for Award Management Preaward Registration Requirements

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

ACTION: Interim rule.

SUMMARY: DoD, GSA, and NASA are issuing an interim rule amending the Federal Acquisition Regulation (FAR) to clarify System for Award Management preaward registration requirements.

DATES:
Effective date: November 12, 2024.
Comment date: Interested parties should submit written comments to the

Regulatory Secretariat Division at the address shown below on or before January 13, 2025, to be considered in the formation of the final rule.

ADDRESSES: Submit comments in response to FAC 2025–01, FAR Case 2023–018 to the Federal eRulemaking portal at <https://www.regulations.gov> by searching for “FAR Case 2023–018”. Select the link “Comment Now” that corresponds with “FAR Case 2023–018”. Follow the instructions provided on the “Comment Now” screen. Please include your name, company name (if any), and “FAR Case 2023–018” on your attached document. If your comment cannot be submitted using <https://www.regulations.gov>, call or email the points of contact in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

Instructions: Please submit comments only and cite “FAR Case 2023–018” in all correspondence related to this case. Comments received generally will be posted without change to <https://www.regulations.gov>, including any personal and/or business confidential information provided. Public comments may be submitted as an individual, as an organization, or anonymously (see frequently asked questions at <https://www.regulations.gov/faq>). To confirm receipt of your comment(s), please check <https://www.regulations.gov>, approximately two to three days after submission to verify posting.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Mr. Benjamin Collins, Procurement Analyst, at 850–826–0058 or by email at benjamin.collins@gsa.gov. For information pertaining to status or publication schedules, or alternative instructions for submitting comments if <https://www.regulations.gov> cannot be used, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2025–01, FAR Case 2023–018.

SUPPLEMENTARY INFORMATION:

I. Background

This interim rule revises the solicitation provision at FAR 52.204–7, System for Award Management, to clarify the System for Award Management (SAM) preaward registration requirements in paragraph (b)(1) of the provision. DoD, GSA, and NASA published a final rule in the **Federal Register** at 83 FR 48691 on September 26, 2018, to update instructions for registration in SAM and correct an inconsistency involving timing of registration. One of the updates to the provision at FAR 52.204–7, System for Award Management,