

bond, computer printout paper, carbonless paper, file folders, white woven envelopes, and other uncoated printed and writing paper, such as writing and office paper, book paper, cotton fiber paper, and cover stock. An alternative to meeting the 20 percent postconsumer material standard is 50 percent recovered material content of certain industrial by-products.

(End of clause)

[FR Doc. 96-14516 Filed 6-19-96; 8:45 am]

BILLING CODE 6820-EP-P

48 CFR Parts 4, 27, and 52

[FAC 90-39; FAR Case 95-004; Item II]

RIN 9000-AG95

Federal Acquisition Regulation; National Industrial Security Program Operating Manual (NISPOM)

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

ACTION: Final rule.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule to amend the Federal Acquisition Regulation (FAR) to reflect the applicability of the National Industrial Security Program Operating Manual (NISPOM). The NISPOM updates and replaces the DOD Industrial Security Manual for Safeguarding Classified Information (DOD 5220.22-M). This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

EFFECTIVE DATE: August 19, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Jack O'Neill at (202) 501-3856 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 95-004.

SUPPLEMENTARY INFORMATION:

A. Background

The National Industrial Security Program was established by Executive Order 12829, "National Industrial Security Program" (58 FR 3479). Section 201 of the Executive order directs the Secretary of Defense, in consultation with all affected agencies and with the concurrence of the Secretary of Energy, the Chairman of the Nuclear Regulatory Commission, and the Director of Central Intelligence, to issue and maintain a

National Industrial Security Program Operating Manual.

B. Regulatory Flexibility Act

This final rule does not constitute a significant FAR revision within the meaning of FAR 1.501 and Public Law 98-577, and publication for public comment is not required. Therefore, the Regulatory Flexibility Act does not apply. However, comments from small entities concerning the affected FAR subparts will be considered in accordance with 5 U.S.C. 610. Such comments must be submitted separately and cite 5 U.S.C. 601, *et seq.* (FAC 90-39, FAR case 95-004), in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose recordkeeping or information collection requirements, or collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 4, 27, and 52

Government procurement.

Dated: June 4, 1996.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, 48 CFR Parts 4, 27, and 52 are amended as set forth below:

1. The authority citation for 48 CFR Parts 4, 27, and 52 continues to read as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

PART 4—ADMINISTRATIVE MATTERS

2. Section 4.402 is amended by revising paragraphs (a) and (b); and in paragraph (c) by removing "Section VIII of the ISR" and inserting in its place "Chapter 10 of the NISPOM". The revised text reads as follows:

4.402 General.

(a) Executive Order 12829, January 6, 1993 (58 FR 3479, January 8, 1993), entitled "National Industrial Security Program" (NISP), establishes a program to safeguard Federal Government classified information that is released to contractors, licensees, and grantees of the United States Government. Executive Order 12829 amends Executive Order 10865, February 20, 1960 (25 FR 1583, February 25, 1960), entitled "Safeguarding Classified Information Within Industry," as amended by Executive Order 10909,

January 17, 1961 (26 FR 508, January 20, 1961).

(b) The National Industrial Security Program Operating Manual (NISPOM) incorporates the requirements of these Executive Orders. The Secretary of Defense, in consultation with all affected agencies and with the concurrence of the Secretary of Energy, the Chairman of the Nuclear Regulatory Commission, and the Director of Central Intelligence, is responsible for issuance and maintenance of this Manual. The following DOD publications implement the program:

(1) *National Industrial Security Program Operating Manual* (NISPOM) (DOD 5220.22-M).

(2) *Industrial Security Regulation* (ISR) (DOD 5220.22-R).

* * * * *

4.403 and 4.404 [Amended]

3. Section 4.403 is amended in paragraphs (a)(1)(i), (b)(1), (c)(1), and (c)(2), by revising "DISP" to read "NISP"; and section 4.403(c)(1) is amended in the last sentence by removing "Section VII of".

3a. Section 4.404(d) is amended by revising "DISP" to read "NISP".

PART 27—PATENTS, DATA, AND COPYRIGHTS

27.207-1 [Amended]

4. Section 27.207-1 is amended in the second sentence of paragraph (b) by removing "Department of Defense Industrial Security Manual for Safeguarding Classified Security Information" and inserting in its place "National Industrial Security Program Operating Manual".

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

52.204-2 [Amended]

5. Section 52.204-2 is amended by revising the introductory paragraph to read as set forth below; by revising the date of the clause to read "(AUG 1996)"; and in paragraph (b)(1) of the clause by removing "Department of Defense Industrial Security Manual for Safeguarding Classified Information" and inserting in its place "National Industrial Security Program Operating Manual". The revised text reads as follows:

52.204-2 Security requirements.

As prescribed in 4.404(a), insert the following clauses:

* * * * *

[FR Doc. 96-14517 Filed 6-19-96; 8:45 am]

BILLING CODE 6820-EP-P

48 CFR Part 6

[FAC 90-39; FAR Case 96-302; Item III]

RIN 9000-AH00

**Federal Acquisition Regulation;
Justification and Approval Thresholds**

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

ACTION: Final rule.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule to amend the Federal Acquisition Regulation (FAR) to raise the dollar thresholds pertaining to approval for the use of other than full and open competition in the acquisition process. This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

EFFECTIVE DATE: August 19, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Ralph De Stefano at (202) 501-1758 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 96-302.

SUPPLEMENTARY INFORMATION:**A. Background**

Section 4102 of the Fiscal Year 1996 Defense Authorization Act (Public Law 104-106) amends 10 U.S.C. 2304(f)(1)(B) and 41 U.S.C. 253(f)(1)(B) to raise the dollar thresholds at which approval for the use of other than full and open competition must be obtained from the competition advocate, the head of the procuring activity, or the senior procurement executive. Section 4102 provides for approval of the justification for other than full and open competition by (1) the competition advocate, for proposed contracts over \$500,000, but not exceeding \$10,000,000; (2) the head of the procuring activity, or designee, for proposed contracts over \$10,000,000, but not exceeding \$50,000,000; and (3) the senior procurement executive, for proposed contracts over \$50,000,000.

B. Regulatory Flexibility Act

The final rule does not constitute a significant FAR revision within the meaning of FAR 1.501 and Public Law 98-577, and publication for public comments is not required. Therefore, the Regulatory Flexibility Act does not apply. However, comments from small

entities concerning the affected subpart will be considered in accordance with 5 U.S.C. 610. Such comments must be submitted separately and cite 5 U.S.C. 601, et seq. (FAC 90-39, FAR case 96-302), in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose recordkeeping or information collection requirements, or collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501, et seq.

List of Subjects in 48 CFR Part 6

Government procurement.

Dated: June 4, 1996.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, 48 CFR Part 6 is amended as set forth below:

**PART 6—COMPETITION
REQUIREMENTS**

1. The authority citation for 48 CFR Part 6 continues to read as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

2. Section 6.304 is amended in paragraph (a)(1) by revising "\$100,000" to read "\$500,000"; in (a)(2) by revising "\$100,000" to read "\$500,000" and "\$1,000,000" to read "\$10,000,000"; in (a)(3) introductory text by revising "\$1,000,000" to read "\$10,000,000" and "\$10,000,000" to read "\$50,000,000"; and revising (a)(4) to read as follows:

6.304 Approval of the justification.

(a) * * *

(4) For a proposed contract over \$50,000,000, by the senior procurement executive of the agency designated pursuant to the OFPP Act (41 U.S.C. 414(3)) in accordance with agency procedures. This authority is not delegable except in the case of the Under Secretary of Defense (Acquisition and Technology), acting as the senior procurement executive for the Department of Defense.

* * * * *

[FR Doc. 96-14518 Filed 6-19-96; 8:45 am]

BILLING CODE 6820-EP-P

48 CFR Parts 14, 15, 17, 25, and 52

[FAC 90-39; FAR Case 93-606; Item IV]

RIN 9000-AF39

**Federal Acquisition Regulation;
Implementation of Memorandum of
Understanding Between the United
States of America and the European
Economic Community on Government
Procurement and Sanctions Imposed
on the European Community**

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

ACTION: Interim rule adopted as final.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule to amend the Federal Acquisition Regulation (FAR) to implement the Memorandum of Understanding Between the United States of America and the European Economic Community on Government Procurement (MOU) and to implement the sanctions imposed by the President on the European community (EC) prohibiting the award of certain contracts for EC products, services, and construction. This regulatory action was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993, and is not a major rule under 5 U.S.C. 804.

EFFECTIVE DATE: June 20, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Peter O'Such at (202) 501-1759 in reference to this FAR case. For general information, contact the FAR Secretariat, Room 4037, GS Building, Washington, DC 20405 (202) 501-4755. Please cite FAC 90-39, FAR case 93-606.

SUPPLEMENTARY INFORMATION:**A. Background**

An interim rule was published in the Federal Register on May 28, 1993 (58 FR 31140) (FAC 90-18). Revisions based on the analysis of public comments were incorporated in the interim rule published in FAC 90-19 as part of the implementation of the North American Free Trade Agreement Implementation Act (FAR case 93-310) (59 FR 544, January 5, 1994). The rule was further amended by an interim rule published in FAC 90-36 to implement the Uruguay Round Agreement Act (FAR case 95-304) (60 FR 67514, December 29, 1995).

B. Regulatory Flexibility Act

The Regulatory Flexibility Act, 5 U.S.C. 601, et seq., applies to this final