

clause that will be used when selection for award is substantially based on offeror's possession of special capabilities. A policy on handling proposals and information, payment of profit or fee, and unsolicited proposals is also included in this Part.

Part 3016, Types of Contracts, includes a policy on fixed price, incentive, indefinite-delivery contracts, and a settlement of letter contract clause.

Part 3017, Special Contracting Methods, includes guidance on use of options, leader company contracting, energy savings performance contracts, and USCG clauses for fixed price contracts for vessel repair, alteration or conversion.

Part 3019, Small Business Programs, sets forth general policies for the small business and small business subcontracting program. This Part prescribes that a provision and clause be placed in all respective solicitations and contracts requiring a subcontracting plan. Also, two clauses are prescribed for DHS' Mentor-Protégé Program, which assists qualified small businesses in receiving developmental assistance from DHS prime contractors in order to increase the base of small businesses eligible to perform DHS contracts and subcontracts.

Part 3022, Application of Labor Laws to Government Acquisitions, sets forth DHS' policy on the admittance of union representatives to DHS installations. Prescriptions for HSAR 3052.222-70, Strikes or Picketing Affecting Timely Completion of the Contract Work, and HSAR 3052.222-71, Strikes or Picketing Affecting Access to a DHS Facility, are included. Guidance on withholding from or suspension of contract payments is also included. This part sets forth the USCG policy, provision and clause for local hires in all solicitations and contracts for construction or services with regard to a State's unemployment rate.

Part 3023, Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace, includes a provision and clause for removal or disposal of hazardous substances. It also includes drug-free workplace applicability guidance and sets forth approval authorities for a determination to suspend payments, terminate contracts or debar and suspend as it relates to this part. This Part also includes a requirement for Accident and Fire reporting when work will be performed on government-owned or leased property.

Part 3024, Protection of Privacy and Freedom of Information, specifies where

DHS policies and procedures for implementing the Privacy Act of 1974 and the FOIA are found.

Part 3027, Patents, Data, and Copyrights, provides general guidance on patents, adjustment of royalties and use of patented technology under the North American Free Trade Agreements Act; patent rights clauses; and approval and justification requirements for administration of licensing background patent rights to third parties. Also, it includes guidance on use of an appropriate rights in data clause.

Part 3028, Bonds and Insurance, includes a requirement for the contracting officer to furnish surety information, and it includes policy on execution and administration of bonds. There is a requirement for the USCG to insert a provision or clause on Notification of Miller Act Payment Bond Protection. There are also USCG clauses for the insurance requirements for contracts for lease of aircraft. An insurance provision or clause requirement is found in this part.

Part 3030, Cost Accounting Standards Administration, provides that the Head of the Contracting Activity (HCA) is authorized to waive application of Cost Accounting Standards to individual commercial item, firm-fixed priced contracts.

Part 3031, Contract Cost Principles and Procedures, includes policy for pre-contract costs.

Part 3032, Contract Financing, provides guidance on contract financing for simplified acquisitions and specifies that the Chief Procurement Officer (CPO) is the DHS remedy coordination official. It also contains the Payment by Electronic Funds Transfer—Central Contractor Registration (CCR) requirement for all solicitations and contracts.

Part 3033, Protests, Disputes, and Appeals includes the designation of Department of Transportation Board of Contract Appeals as the DHS BCA.

Part 3035, Research and Development Contracting, includes policy on cost sharing and recoupment.

Part 3036, Construction and Architect and Engineering Contracts, includes a policy on performance reports and a contract clause for special precautions for work at operating airports.

Part 3037, Service Contracting, includes guidance on contract personnel access application, and conditional access to sensitive but unclassified information. The Part also provides policy for personal services contracts.

Part 3042, Contract Administration and Audit Services, includes prescriptions for clauses for dissemination of contract information;

contracting officer's technical representative, and a requirement to use the Contractor Performance System for evaluating contractor performance.

Part 3045, Government Property, sets for reporting and auditing requirements, and a provision for a contract clause.

Part 3046, Quality Assurance, includes definitions relative to warranties; criteria for use of warranties; and terms and conditions. The Part also includes additional requirements for the USCG.

Part 3047, Transportation, sets forth the provisions for the transportation clauses for use, when applicable.

Part 3052, Solicitation Provisions and Contract Clauses, provides the text of the provisions and clauses. It also includes the text for the USCG specific provisions and clauses.

Part 3053, Forms, includes five forms that require completion by contractors or contract employees. The forms will be available and linked to the DHS website after they are approved by OMB, and upon publication of the final rule.

The Matrix lists the provisions and clauses, and illustrates whether a provision or clause is required or to be used when applicable.

Regulatory Assessment

This interim rule is not subject to review by the Office of Management and Budget (OMB) under Executive Order 12866, Regulatory Planning and Review, as supplemented by Executive Order 13132, Federalism, and is not a major rule under 5 U.S.C. 804. It therefore does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under Executive Order 12866. It is not significant under the regulatory policies and procedures of the Department of Homeland Security.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601-612), we have considered whether this interim rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. This interim rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act. An Initial Regulatory