

items during their use, and combat counterfeiting of parts; and will enable DoD to make appropriate entries into its property accountability, inventory, and financial management information systems toward achieving compliance with the Chief Financial Officers Act.

On October 10, 2003, DoD issued an interim rule to implement unique identification policy, effective January 1, 2004. As a result of public comments received on the interim rule, DoD has determined that significant changes are needed to streamline and clarify the rule and to ensure effective implementation of DoD's unique identification policy. Comments received in response to this interim rule will be considered in the formation of the final rule.

List of Subjects in 48 CFR Parts 202, 204, 211, 212, 243, and 252

Government procurement.

Michele P. Peterson,

Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Parts 202, 204, 211, 212, 243, and 252 are amended as follows:

1. The authority citation for 48 CFR Parts 202, 204, 211, 212, 243, and 252 continues to read as follows:

Authority: 41 U.S.C. 421 and 48 CFR Chapter 1.

PART 202—DEFINITIONS OF WORDS AND TERMS

202.101 [Amended]

2. Section 202.101 is amended by removing the definition of "Unique item identifier", which was added at 68 FR 58632 on October 10, 2003, to become effective on January 1, 2004.

PART 204—ADMINISTRATIVE MATTERS

3. Section 204.7104-1 is amended by revising paragraph (a)(3) to read as follows:

204.7104-1 Criteria for establishing.

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(a) * * *

(3) Informational subline items shall be used to identify each accounting classification citation assigned to a single contract line item number when use of multiple citations is authorized (see 204.7103-1(a)(4)(ii)).

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204.7104-2 [Amended]

4. Section 204.7104-2 is amended by removing paragraphs (e)(10) and (11), which were added at 68 FR 58632 on October 10, 2003, to become effective on January 1, 2004.

PART 211—DESCRIBING AGENCY NEEDS

5. Sections 211.274 through 211.274-3, which were added at 68 FR 58633 on October 10, 2003, to become effective on January 1, 2004, are revised to read as follows:

211.274 Item identification and valuation.

211.274-1 Item identification.

(a) DoD unique item identification, or a DoD recognized unique identification equivalent, is required for—

(1) All items for which the Government's unit acquisition cost is \$5,000 or more;

(2) Items for which the Government's unit acquisition cost is less than \$5,000, when determined necessary by the requiring activity for serially managed, mission essential, or controlled inventory equipment, repairable items, or consumable items or material; and

(3) Subassemblies, components, and parts embedded within an item identified on a Contract Data Requirements List or other exhibit (see <http://www.acq.osd.mil/uid>).

(b) If unique item identification is not required, the contractor shall provide commonly accepted commercial marks.

211.274-2 Government's unit acquisition cost.

(a) Contractors shall identify the Government's unit acquisition cost for all items delivered.

(b) The Government's unit acquisition cost is—

(1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery.

(2) For cost-type line, subline, or exhibit line items, the contractor's estimated fully burdened unit cost to the Government for each item at the time of delivery.

(c) The Government's unit acquisition cost of subassemblies, components, and parts embedded in delivered items need not be identified.

211.274-3 Contract clause.

Use the clause at 252.211-7003, Item Identification and Valuation, in solicitations and contracts that require delivery of one or more "items" as defined at 252.211-7003(a).

(a) Complete paragraph (c)(1)(ii) of the clause with the contract line, subline, or exhibit line item number and description of any item(s) below \$5,000 in unit acquisition cost for which the requiring activity determines that DoD unique item identification or a DoD recognized unique identification equivalent is required.

(b) Complete paragraph (c)(1)(iii) of the clause with the applicable exhibit number or Contract Data Requirements List item number, when DoD unique item identification or a DoD recognized unique identification equivalent is required for subassemblies, components, or parts embedded within deliverable items.

PART 212—ACQUISITION OF COMMERCIAL ITEMS

212.301 [Amended]

6. Section 212.301 is amended by redesignating paragraph (f)(vii), which was added at 68 FR 58633 on October 10, 2003, to become effective on January 1, 2004, as paragraph (f)(vi).

PART 243—CONTRACT MODIFICATIONS

243.171 [Amended]

7. Amendment 7 to section 243.171, which was published at 68 FR 58633 on October 10, 2003, is removed.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

8. Section 252.211-7003, which was added at 68 FR 58633 on October 10, 2003, to become effective on January 1, 2004, is revised to read as follows:

252.211-7003 Item Identification and Valuation.

As prescribed in 211.274-3, use the following clause:

Item Identification and Valuation (Jan 2004)

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

Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Commonly accepted commercial marks means any system of marking products for identification that is in use generally throughout commercial industry or within commercial industry sectors. Some examples of commonly accepted commercial marks are: EAN.UCC Global Trade Item Number; Automotive Industry Action Group B-4 Parts Identification and Tracking Application Standard, and B-2 Vehicle Identification Number Bar Code Label Standard; American Trucking Association Vehicle Maintenance Reporting Standards; Electronic Industries Alliance EIA 802 Product Marking Standard; and Telecommunications Manufacturers Common Language Equipment Identification Code.

Concatenated unique item identifier means—

(1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or