

***FAR Alert Notice (FAN)***  
***Issuance of Proposed Rules and Federal Acquisition Circulars 2005-90 and 2005-91***

This *FAR Alert Notice (FAN)* provides awareness to the acquisition workforce about upcoming regulatory changes.<sup>1</sup> This FAN highlights noteworthy proposed rules, and interim and final rules recently published in the released Federal Acquisition Circular (FAC) that impact the acquisition workforce.<sup>2</sup>

A brief description of each rule is provided below with hyperlinks to an expanded version of the rules. Agencies are encouraged to disseminate this FAN widely across their acquisition workforce.

<b>Rules at a Glance</b>
<b><u>Proposed Rules</u></b> See notice below under Proposed Rules
<b><u>FAC 2005-90 (published on August 25, 2016)</u></b> FAR Case 2014-025, Fair Pay and Safe Workplaces
<b><u>FAC 2005-91 (published on September 30, 2016)</u></b> FAR Case 2015-011, Prohibition on Contracting with Corporations with Delinquent Taxes or a Felony Conviction FAR Case 2015-036, Updating Federal Contractor Reporting of Veterans' Employment FAR Case 2016-007, Non-Retaliation for Disclosure of Compensation Information FAR Case 2015-032, Sole Source Contracts for Women-Owned Small Businesses FAR Case 2015-022, Unique Identification of Entities Receiving Federal Awards FAR Case 2014-015, Consolidation and Bundling FAR Case 2016-006, Amendment Relating to Multi-year Contract Authority for Acquisition of Property FAR Case 2016-009, New Designated Countries – Ukraine and Moldova FAR Case 2014-018, Contractors Performing Private Security Functions FAR Case 2014-012, Limitation on Allowable Government Contractor Employee Compensation Costs

**Proposed Rules** - Proposed rules are published more often than FACs. To provide timely updates to the acquisition community, the proposed rules will now be posted in real time on [acquisition.gov](http://acquisition.gov) - click on Proposed Rules in the moving banner at the top of the page. To receive automatic email notices of the latest proposed rules as well as other FAR related news, go to <https://listserv.gsa.gov/cgi-bin/wa.exe?A0=ACQUISITIONNEWS>, and click on “Subscribe” and select either regular or digest – see below for definitions of regular and digest.<sup>3</sup>

**Interim and Final Rules**

**FAC 2005-90 (Published on August 25, 2016)**

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<sup>1</sup>This FAR Alert was established by the Office of Federal Procurement Policy (OFPP) in 2012 to help improve agency awareness of regulatory changes. GSA prepares the FAN for dissemination to the acquisition workforce via the FAI website. Questions about the individual rules should be directed to the analyst in the “For Further Information Contact” paragraph of the rule.

<sup>2</sup> Proposed rules announce future changes being considered to the Code of Federal Regulations (CFR), include proposed regulatory text, and solicit public comments. Interim rules announce immediate changes to the CFR and are effective immediately upon publication, or on a specified date after publication, but may be amended based on public comment. Final rules make permanent changes to the FAR after considering public comment, if required. Final rules are effective on a specified date after publication.

<sup>3</sup> Definitions/Instructions - "Regular" means you get one message at a time just like regular email. "Digest", of which there are several types means that instead of getting each message as it is sent, the person gets one message per day made up of all the messages sent to the list that day, the digest usually has an index of subject lines at the top linking to all the messages.

[FAR Case 2014-025, Fair Pay and Safe Workplaces](#)

This final rule amends the FAR to implement Executive Order (E.O.) 13673, Fair Pay and Safe Workplaces, which is designed to increase efficiency and cost savings in Federal contracting by improving contractor compliance with labor laws. The Department of Labor is simultaneously issuing final guidance (<https://www.dol.gov/asp/fairpayandsafeworkplaces/>) to assist Federal agencies in implementation by the E.O. in conjunction with the FAR final rule. This rule will become effective on October 25, 2016.

We refer the reader to the Fair Pay rule other effective dates (see schedule below):

**October 25, 2016:** The final rule takes effect. Mandatory disclosure and assessment of labor law compliance begins for all prime contractors under consideration for contracts with a total value greater than or equal to \$50 million. The reporting disclosure period is initially limited to one (1) year and will gradually increase to three (3) years by October 25, 2018.

**January 1, 2017:** The Paycheck Transparency clause takes effect, requiring contractors to provide wage statements and notice of any independent contractor relationship to their covered workers.

**April 25, 2017:** The total contract value threshold for prime contracts requiring disclosure and assessment of labor law compliance is reduced to \$500,000.

**October 25, 2017:** Mandatory assessment begins for all subcontractors under consideration for subcontracts with a total value greater than or equal to \$500,000.

**FAC 2005-91 (Published on September 30, 2016)**

[FAR Case 2015-011, Prohibition on Contracting with Corporations with Delinquent Taxes or a Felony Conviction](#)

This final rule amends the FAR to adopt as final, without change, an interim rule, which amended the FAR to implement sections of the Consolidated and Further Continuing Appropriations Act, 2015. The rule prohibits the Federal Government from entering into a contract with any corporation having a delinquent Federal tax liability or a felony conviction under any Federal law, unless the agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. This rule will become effective on September 30, 2016.

[FAR Case 2015-036, Updating Federal Contractor Reporting of Veterans' Employment](#)

This final rule amends the FAR to adopt as final, without change, an interim rule, which amended the FAR to implement a final rule issued by the Department of Labor's Veterans' Employment and Training Service (VETS) that revised the regulations at 41 CFR part 61 implementing the reporting requirements under the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA), as amended and the Jobs for Veterans Act (JVA) (Pub. L. 107-288).

VEVRAA requires Federal contractors and subcontractors to annually report on the total number of their employees who belong to the categories of veterans protected under VEVRAA, as amended by the JVA, and the total number of those protected veterans who were hired during the period covered by the report. This rule will become effective on September 30, 2016.

#### [FAR Case 2016-007, Non-Retaliation for Disclosure of Compensation Information](#)

This interim rule amends the FAR to implement Executive Order (E.O.) 13665, Non-Retaliation for Disclosure of Compensation Information, amending Executive Order 11246, Equal Opportunity in Federal Employment. The E.O. was signed April 8, 2014. The interim rule is also implementing the final rule issued by the Office of Federal Contract Compliance Programs (OFCCP) of the Department of Labor (DOL) to implement the E.O. This rule will become effective on September 30, 2016.

#### [FAR Case 2015-032, Sole Source Contracts for Women-Owned Small Businesses](#)

This final rule amends the FAR to implement regulatory changes made by the Small Business Administration (SBA) in its final rule as published in the Federal Register at 80 FR 55019, on September 14, 2015. SBA's final rule implements the statutory requirements of paragraph (a)(3) of section 825 of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015, Public Law 113-291, which grants contracting officers the authority to award sole source contracts to economically disadvantaged women-owned small business (EDWOSB) concerns and to women-owned small business (WOSB) concerns eligible under the WOSB Program. This rule will become effective on September 30, 2016.

#### [FAR Case 2015-022, Unique Identification of Entities Receiving Federal Awards](#)

This final rule amends the FAR to redesignate the terminology for unique identification of entities receiving Federal awards. The change to the FAR eliminates references to the proprietary Data Universal Numbering System (DUNS®) number, and provides appropriate references to the website where information on the unique entity identifier used for Federal contractors will be located. This rule will become effective on October 31, 2016.

#### [FAR Case 2014-015, Consolidation and Bundling](#)

This final rule incorporates regulatory changes made by the SBA in its final rule which published in the Federal Register at 78 FR 61113 on October 2, 2013, concerning consolidation and bundling. SBA's final rule implements sections 1312 and 1313 of the Small Business Jobs Act of 2010 (Pub. L. 111-240), as well as section 1671 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239). This rule will become effective on October 31, 2016.

#### [FAR Case 2016-006, Amendment Relating to Multi-year Contract Authority for Acquisition of Property](#)

This final rule amends FAR subpart 17.1 to implement section 811 of the NDAA for FY 2016 (Pub. L. 114-92). Section 811 amended subsection (a)(1) of 10 U.S.C. 2306b by striking "substantial" and inserting "significant." This rule will become effective on October 31, 2016.

[FAR Case 2016-009, New Designated Country – Ukraine and Moldova](#)

This final rule amends the FAR to add Ukraine and Moldova as new designated countries under the World Trade Organization Government Procurement Agreement (WTO GPA). This rule will become effective on October 31, 2016.

[FAR Case 2014-018, Contractors Performing Private Security Functions](#)

This final rule amends FAR 25.302 and the clause at 52.225–26, both entitled “Contractors Performing Private Security Functions Outside the United States.” This rule removes the DoD-unique requirements, which have been incorporated in the Defense Federal Acquisition Regulations Supplement (DFARS). This rule will become effective on October 31, 2016.

[FAR Case 2014-012, Limitation on Allowable Government Contractor Employee Compensation Costs](#)

This final rule converts the interim rule published in the Federal Register at 79 FR 35865 on June 24, 2014 to a final rule with minor changes including a table summarizing the employee compensation limits and applicability dates is added at 31.205-6(p); several paragraphs are reorganized; redundant text is removed; reference links are added for clarity. This final rule amends the Federal Acquisition Regulation (FAR) to implement section 702 of the Bipartisan Budget Act of 2013. This rule will become effective on September 30, 2016.