final OMB approval, on any information collection requirements set forth in rulemaking.

This rule will not impose any information collection burden or affect information currently collected by OIG.

IV. Inspection of Public Comments

All comments received before the end of the comment period are available for viewing by the public. All comments will be posted on http://www.regulations.gov as soon as possible after they have been received. Comments received timely will also be available for public inspection as they are received at Office of Inspector General, Department of Health and Human Services, Cohen Building, 330 Independence Avenue, SW., Washington, DC 20201, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone (202) 619–0089.

List of Subjects in 42 CFR Part 1008

Administrative practice and procedure, Fraud, Grant programs—health, Health facility, Health professions, Medicaid, Medicare, Penalties.

Accordingly, 42 CFR chapter V, subchapter B is mended as set forth below:

PART 1008—[AMENDED]

1. The authority citation for part 1008 continues to read as follows:

   Authority: 42 U.S.C. 1320a–7d(b)

2. Section 1008.31 is amended by revising paragraph (b) to read as follows:

   § 1008.31 OIG fees for the cost of advisory opinions.
   (b) Payment Method. Payment for a request for an advisory opinion must be made to the Treasury of the United States, as directed by OIG.

3. Section 1008.36 is amended by removing paragraph (b)(6) and redesignating paragraphs (b)(7) and (b)(8) as (b)(6) and (b)(7) respectively.

4. Section 1008.43 is amended by revising paragraph (d) to read as follows:

   § 1008.43 Issuance of a formal advisory opinion.
   (d) After OIG has notified the requestor of the full amount owed and OIG has determined that the full payment of that amount has been properly paid by the requestor, OIG will issue the advisory opinion and promptly mail it to the requestor by regular first class U.S. mail.


   Daniel R. Levinson,
   Inspector General.


   Michael O. Leavitt, Secretary.

   [FR Doc. E8–1646 Filed 3–25–08; 8:45 am]

   BILLING CODE 4152–01–P

OFFICE OF MANAGEMENT AND BUDGET

Office of Federal Procurement Policy

48 CFR Part 9903

Cost Accounting Standards Board; Contract Clauses

AGENCY: Cost Accounting Standards Board, Office of Federal Procurement Policy, OMB.

ACTION: Final rule.

SUMMARY: The Cost Accounting Standards (CAS) Board has adopted, without change, a final rule to add a clause for inclusion in CAS-covered contracts and subcontracts awarded to foreign concerns. The Board is taking this action to provide a standard clause for use by Government and contractor personnel in applying the CAS requirements to contracts and subcontracts awarded to foreign concerns.

DATES: Effective Date: April 25, 2008.


SUPPLEMENTARY INFORMATION:

A. Background

The CAS Board published a proposed rule on June 14, 2007 (72 FR 32829) to provide a clause for use in contracts with foreign concerns. Prior to November 4, 1993, modified CAS coverage required a contractor to comply with only CAS 401 and CAS 402. Similarly, 9903.201–1(b)(4) required that foreign concerns comply with only CAS 401 and 402. Thus, prior to November 4, 1993, the contract clause at 9903.201–4(c) was used for both contracts with modified coverage and contracts with foreign concerns.

However, on November 4, 1993, the Board revised the definition of modified coverage to include CAS 405 and 406, so that modified coverage currently includes CAS 401, 402, 405, and 406 (see 9903.201–2(b)). In conjunction with the revised definition of modified coverage, the Board also amended the clause at 9903.201–4(c) to include CAS 405 and 406. However, the Board did not change the requirement that foreign concerns comply with only CAS 401 and 402. As a result, the contract clause at 9903.201–4(c) could not be used for foreign concerns without modification by the parties.

This final rule provides a clause for use in contracts with foreign concerns that will not require modification. Except that it includes only CAS 401 and 402, this clause is identical to the clause currently applicable to contracts subject to modified coverage. To effect this change, this final rule amends 9903.201–4, Contract Clauses, to include the new clause at (f), Disclosure and Consistency of Cost Accounting Practices—Foreign Concerns.

The Board received no public comments in response to the proposed rule and has adopted the proposed rule as a final rule without change.

B. Paperwork Reduction Act

The Paperwork Reduction Act, Public Law 96–511, does not apply to this rulemaking, because this rule imposes no paperwork burden on offerors, affected contractors and subcontractors, or members of the public which requires the approval of OMB under 44 U.S.C. 3501, et seq.

C. Regulatory Flexibility Act, Unfunded Mandates Reform Act, Congressional Review Act, and Executive Orders 12866 and 13132

The Board certifies that this rule will not have a significant effect on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, et seq., because small businesses are exempt from the application of the Cost Accounting Standards. For purposes of the Unfunded Mandates Reform Act of 1995, as well as Executive Orders 12866 and 13132, the final rule will not significantly or uniquely affect small governments, does not have federalism implications, and will not result in increased expenditures by State, local, and tribal governments, or by the private sector, of $100 million or more. In addition, the Board has determined that this rule is not economically significant under the provisions of Executive Order 12866 or otherwise subject to Executive Order 12866 review. Finally, the final rule is not a “major rule” under 5 U.S.C. Chapter 8; the rule will not have any of the effects set forth in 5 U.S.C. 804(2).
PART 9903—CONTRACT COVERAGE

1. The authority citation for part 9903 continues to read as follows:


Subpart 9903.2—CAS Program Requirements

2. Section 9903.201–4 is revised to read as follows:

9903.201–4 Contract clauses.

(a) Cost Accounting Standards. (1) The contracting officer shall insert the clause set forth in paragraph (a)(1) of this section in all contracts and subcontracts where the contractor is subject to the Cost Accounting Standards, if the contract is not exempted (see 9903.201–1), or if the contractor is subject to modified coverage (see 9903.201–2), or if the clause prescribed in paragraph (e) of this section is used.

(2) The clause below requires the contractor to comply with all CAS specified in part 9904, to disclose actual cost accounting practices (applicable to CAS-covered contracts only), and to follow disclosed and established cost accounting practices consistently.

(b) Cost Accounting Standards (June 2007).

(a) Unless the contract is exempt under 9903.201–1 and 9903.201–2, the provisions of 9903 are incorporated herein by reference and the Contractor in connection with this contract, shall—

(1) [CAS-covered Contracts Only] By submission of a Disclosure Statement, disclosed in writing the Contractor’s cost accounting practices as required by 9903.202–1 through 9903.202–5 including methods of distinguishing direct costs from indirect costs and the basis used for allocating indirect costs. The practices disclosed for this contract shall be the same as the practices currently disclosed and applied to all contracts and subcontracts being performed by the Contractor and which contain a Cost Accounting Standards (CAS) clause. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets, and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(2) [Follow consistently the Contractor’s cost accounting practices in accumulating and reporting contract performance cost data concerning this contract. If any change in cost accounting practices is made for the purposes of any contract or subcontract subject to CAS requirements, the change must be applied prospectively to this contract and the Disclosure Statement must be amended accordingly. If the contract price or cost allowance of this contract is affected by such changes, adjustment shall be made in accordance with subparagraph (a)(4) or (a)(5) of this clause, as appropriate.

(3) Comply with all CAS, including any modifications and interpretations indicated thereto contained in part 9904, in effect on the date of award of this contract or, if the Contractor has submitted cost or pricing data, on the date of final agreement on price as shown on the Contractor’s signed certificate of current cost or pricing data. The Contractor shall also comply with any CAS (or modifications to CAS) which hereafter become applicable to a contract or subcontract of the Contractor. Such compliance shall be required prospectively from the date of applicability of such contract or subcontract.

(i) The change which, pursuant to subparagraph (a)(3) of this clause, the Contractor is required to make to the Contractor’s established cost accounting practices.

(ii) Comply with the requirements of this contract, shall—

(4)(i) Agree to an equitable adjustment as provided in the Changes clause of this contract if the contract cost is affected by a change which, pursuant to subparagraph (a)(3) of this clause, the Contractor is required to make to the Contractor’s established cost accounting practices.

(5) Comply with the requirements of this contract, shall—

(b) [Reserved]

(c) Disclosure and Consistency of Cost Accounting Practices. (1) The contracting officer shall insert the clause set forth below in all contracts and subcontracts which the Contractor has submitted cost or pricing data, on the date of final agreement on price as shown on the subcontractor’s signed Certificate of Current Cost or Pricing Data. If the subcontract is awarded to a business unit which pursuant to 9903.201–2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in 9903.201–4 shall be inserted. This requirement shall apply only to negotiated subcontracts in excess of $650,000, except that the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 9903.201–1.

(End of Clause)

(d) [Reserved]

(End of Clause)

Disclosure and Consistency of Cost Accounting Practices (June 2007).

(a) The Contractor, in connection with this contract, shall—

(1) Comply with the requirements of 9904.401, Consistency in Estimating, Accumulating, and Reporting Costs; 9904.402, Consistency in Allocating Costs Incurred for the Same Purpose; 9904.405, Accounting for Unallowable Costs; and 9904.406, Cost Accounting Standard—Cost Accounting Period, in effect on the date of
awarded. If it is a business unit of a company required to submit a Disclosure Statement, disclose in writing its cost accounting practices as required by 9903.202–5. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(3)(i) Follow consistently the Contractor’s cost accounting practices. A change to such practices may be proposed, however, by either the Government or the Contractor, and the Contractor agrees to negotiate with the Contracting Officer the terms and conditions under which a change may be made. After the terms and conditions under which the change is to be made have been agreed to, the change must be applied prospectively to this contract, and the Disclosure Statement, affected, must be amended accordingly.

(ii) The Contractor shall, when the parties agree to a change to a cost accounting practice, promptly notify the Contracting Officer has made the finding required in 9903.201–6(c) that the change is desirable and not detrimental to the interests of the Government, negotiate an equitable adjustment as provided in the Changes clause of this contract. In the absence of the required finding, no agreement may be made under this contract clause that will increase costs paid by the United States.

(4) Agree to an adjustment of the contract price or cost allowance, as appropriate, if the Contractor or a subcontractor fails to comply with the applicable CAS or to follow any cost accounting practice, and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States, together interest thereon computed at the annual rate established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)) for such period, from the time the payment by the United States was made to the time the adjustment is effected.

(b) If the parties fail to agree whether the Contractor has complied with an applicable CAS rule, or regulation as specified in parts 9903 and 9904 and as to any cost adjustment demanded by the United States, such failure to agree will constitute a dispute under the Contract Disputes Act (41 U.S.C. 601).

(c) The Contractor shall permit any authorized representatives of the Government to examine and make copies of any documents, papers, and records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts, which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that—

(1) If the subcontract is awarded to a business unit which pursuant to 9903.201–2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in 9903.201–4 shall be inserted.

(2) This requirement shall apply only to negotiated subcontracts in excess of $650,000.

(3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 9903.201–1.

(End of clause)

(d) [Reserved]

(e) Cost Accounting Standards—Educational Institutions—(1) The contracting officer shall insert the clause set forth below, Cost Accounting Standards—Educational Institution, in negotiated contracts awarded to educational institutions, unless the contract is exempted (see 9903.201–1), the contract is to be performed by an FFRDC (see 9903.201–2(c)(5)), or the provision at 9903.201–2(c)(6) applies.

(2) The clause below requires the educational institution to comply with allCAS specified in part 9905, to disclose actual cost accounting practices as required by 9903.202–(1), and to follow disclosed and established cost accounting practices consistently.

COST ACCOUNTING STANDARDS—EDUCATIONAL INSTITUTIONS (JUNE 2007)

(a) Unless the contract is exempt under 9903.201–1 and 9903.201–2, the provisions of part 9903 are incorporated herein by reference and the Contractor in connection with this contract, shall—

(1) (CAS-covered Contracts Only) If a business unit of an educational institution required to submit a Disclosure Statement, disclose in writing the Contractor’s cost accounting practices as required by 9903.202–2 through 9903.202–5 including methods of distinguishing direct costs from indirect costs and the basis used for accumulating and allocating indirect costs. The practices disclosed for this contract shall be the same as the practices currently disclosed and applied on all other contracts and subcontracts being performed by the Contractor and which contain a Cost Accounting Standards (CAS) clause. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets, and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(2) Follow consistently the Contractor’s cost accounting practices in accumulating and reporting contract performance cost data concerning this contract. If any change in cost accounting practices is made for the purposes of any contract or subcontract subject to CAS requirements, the change shall become effective after the date of contract award, requires the Contractor to make a change to the Contractor’s established cost accounting practices.

(5) Agree to an adjustment of the contract price or cost allowance, as appropriate, if the Contractor or a subcontractor fails to comply with an applicable Cost Accounting Standard, or to follow any cost accounting practice consistently and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States, together interest thereon computed at the annual rate established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)) for such period, from the time the payment by the United States was made to the time the adjustment is effected. In no case shall the Government recover costs greater than the increased cost to the Government, in the aggregate, on the relevant contracts subject to the price adjustment, unless the Contractor made a change in its cost accounting practices be made after the date of this contract award, the change must be applied prospectively to this contract and the Disclosure Statement, if required, must be amended accordingly. If the contract price or cost allowance of this contract is affected by such changes, adjustment shall be made in accordance with subparagraph (a)(4) or (a)(5) of this clause, as appropriate.

(3) Comply with all CAS, including any modifications and interpretations issued thereto contained in 48 CFR part 9905, in effect on the date of award of this contract or, if the Contractor has submitted cost or pricing data, on the date of final agreement on price as shown on the Contractor’s signed certificate of current cost or pricing data. The Contractor shall also comply with any CAS (or modifications to CAS) which hereafter apply to a contract or subcontract of the Contractor. Such compliance shall be required prospectively from the date of applicability to such contract or subcontract.

(4)(i) Agree to an equitable adjustment as provided in the Changes clause of this contract if the contract cost is affected by a change which, pursuant to subparagraph (a)(3) of this clause, the Contractor is required to make to the Contractor’s established cost accounting practices.

(ii) Negotiate with the Contracting Officer to determine the terms and conditions under which a change may be made to a cost accounting practice, other than a change under provisions of subparagraph (a)(4) of this clause; provided that any agreement may be made under this provision that will increase costs paid by the United States.

(3) If the subcontract is awarded to a CAS-covered subcontracts otherwise exempt from the time the payment by the United States was made to the time the adjustment is effected.

(4) Agree to an equitable adjustment as provided in the Changes clause of this contract, if the contract cost is materially affected by an OMB Circular accounting principle amendment which, on becoming effective after the date of contract award, requires the Contractor to make a change to the Contractor’s established cost accounting practices.

(iv) Agree to an equitable adjustment as provided in the Changes clause of this contract, if the contract cost is materially affected by an OMB Circular accounting principle amendment which, on becoming effective after the date of contract award, requires the Contractor to make a change to the Contractor’s established cost accounting practices.
practices of which it was aware or should have been aware at the time of price negotiations and which it failed to disclose to the Government.

(b) If the parties fail to agree whether the Contractor or a subcontractor has complied with an applicable CAS or a CAS rule or regulation in 9903 and as to any cost adjustment demanded by the United States, such failure to agree will constitute a dispute under the Contract Disputes Act (41 U.S.C. 601).

(c) The Contractor shall permit any authorized representatives of the Government to examine and make copies of any documents, papers, or records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts, of any tier, including the obligation to comply with all applicable CAS in effect on the subcontractor’s award date or if the subcontractor has submitted cost or pricing data, on the date of final agreement on price as shown on the subcontractor’s signed Certificate of Current Cost or Pricing Data, except that—

(1) If the subcontract is awarded to a business unit which pursuant to 9903.201–2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in 9903.201–4 shall be inserted; and

(2) This requirement shall apply only to negotiated subcontracts in excess of $650,000.

(3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 9903.201–1.

(End of clause)

(f) Disclosure and Consistency of Cost Accounting Practices—Foreign Concerns.

(1) The contracting officer shall insert the clause set forth below, Disclosure and Consistency of Cost Accounting Practices—Foreign Concerns, in negotiated contracts when the contract is with a foreign concern and the contract is not otherwise exempt under 9903.201–1 (see 9903.201–2(e)).

(2) The clause below requires the contractor to comply with 9904.401 and 9904.402, to disclose (if it meets certain requirements) actual cost accounting practices, and to follow consistently disclosed and established cost accounting practices.

DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES—FOREIGN CONCERNS (April 25, 2008)

(a) The Contractor, in connection with this contract, shall—

(1) Comply with the requirements of 9904.401, Consistency in Estimating, Accumulating, and Reporting Costs; and 9904.402, Consistency in Allocating Costs incurred for the Same Purpose, in effect on the date of award of this contract, as indicated in Part 9904.

(2) (CAS-covered Contracts Only) If it is a business unit of a company required to submit a Disclosure Statement, disclose in writing its cost accounting practices as required by 9903.202–1 through 9903.202–5. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(3)(i) Follow consistently the Contractor’s cost accounting practices. A change to such practices may be proposed, however, by either the Government or the Contractor, and the Contractor agrees to negotiate with the Contracting Officer the terms and conditions under which a change may be made. After the terms and conditions under which the change is to be made have been agreed to, the change must be applied prospectively to this contract, and the Disclosure Statement, if affected, must be amended accordingly.

(ii) The Contractor shall, when the parties agree to a change to a cost accounting practice and the Contracting Officer has made the finding required in 9903.201–6(c) that the change is desirable and not detrimental to the interests of the Government, negotiate an equitable adjustment as provided in the Changes clause of this contract. In the absence of the required finding, no agreement may be made under this contract clause that will increase costs paid by the United States.

(4) Agree to an adjustment of the contract price or cost allowance, as appropriate, if the Contractor or a subcontractor fails to comply with the applicable CAS or to follow any cost accounting practice, and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States, together with interest thereon computed at the annual rate established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)) for such period, from the time the payment by the United States was made to the time the adjustment is effected.

(b) If the parties fail to agree whether the Contractor has complied with an applicable CAS rule, or regulation as specified in Parts 9903 and 9904 and as to any cost adjustment demanded by the United States, such failure to agree will constitute a dispute under the Contract Disputes Act (41 U.S.C. 601).

(c) The Contractor shall permit any authorized representatives of the Government to examine and make copies of any documents, papers, and records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that—

(1) If the subcontract is awarded to a business unit which pursuant to 9903.201–2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in 9903.201–4 shall be inserted.

(2) This requirement shall apply only to negotiated subcontracts in excess of $650,000.

(3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 9903.201–1.

(End of Clause)

[FR Doc. E8–5981 Filed 3–24–08; 8:45 am]
BILING CODE 3110–01–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 071106671–8010–02]
RIN 0648–XG62

Fisheries of the Exclusive Economic Zone Off Alaska; Shallow-Water Species Fishery by Vessels Using Trawl Gear in the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Temporary rule; modification of a closure.

SUMMARY: NMFS is opening directed fishing for shallow-water species by vessels using trawl gear in the Gulf of Alaska (GOA). This action is necessary to allow the shallow-water species fishery in the GOA to resume.

DATES: Effective 1200 hrs, Alaska local time (A.l.t.), March 21, 2008, through 1200 hrs, A.l.t., April 1, 2008.

Comments must be received at the following address no later than 4:30 p.m., A.l.t., April 7, 2008.

ADDRESSES: Send comments to Sue Salveson, Assistant Regional Administrator, Sustainable Fisheries Division, Alaska Region, NMFS, Attn: Ellen Sebastian. You may submit comments, identified by 0648–XG62, by any one of the following methods:

• Electronic Submissions: Submit all electronic public comments via the Federal eRulemaking Portal website at http://www.regulations.gov;

• Mail: P.O. Box 21668, Juneau, AK 99802;

• Fax: (907) 586–7557; or

• Hand delivery to the Federal Building: 709 West 9th Street, Room 420A, Juneau, AK.

Instructions: All comments received are a part of the public record and will generally be posted to http://www.regulations.gov without change.