



Weekly Update Report for June 13, 2014

GOVERNMENT CONTRACTS

DoD, GSA, and NASA Issue Proposed Rule to Amend FAR Expanded Reporting of Nonconforming Items

The Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA) issued a proposed rule to amend the Federal Acquisition Regulation (FAR) to require expanded reporting of nonconforming items in partial implementation of section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91–3, entitled “Reporting Nonconforming Products,” dated April 9, 1991, [79 Fed. Reg. 33164](#). Comments are due August 11, 2014.

CAPITOL HILL

Is \$487K Too Little to Pay Federal Contractors

The federal government has finalized a plan to expand compensation reimbursement caps to a large swath of its contracted employees, drawing the ire of its private industry partners. Congress approved the expansion in the 2012 National Defense Authorization Act, applying the ceiling on reimbursable pay to all Defense Department, General Services Administration and NASA contract employees, rather than just the five highest paid executives. The law applied to all contracts signed on or after Dec. 31, 2011. The contracting community took particular issue with the rule’s requirement that the reimbursement cap’s implementation take place retroactively to the end of 2011. Instead, the Professional Services Council said, the cap should only apply to contracts signed after June 26, 2013, when the Federal Acquisition Regulatory Council initially issued the interim rule to implement the change. [Is \\$487K Too Little to Pay Federal Contractors](#).

SMALL BUSINESS

SBA Issues Interim Final Rule Regarding Small Business Size Standards Inflation Adjustment to Monetary Based Size Standards

The U.S. Small Business Administration (SBA) issued an interim final rule adjusting the monetary based industry size standards (i.e., receipts, assets, net worth, and net

income) for inflation that has occurred since the last adjustment in 2008, [79 Fed. Reg. 33647](#). These adjustments are in addition to the recent revisions to size standards as part of the current comprehensive size standards review, as mandated by the Small Business Jobs Act of 2010. This rule is effective July 14, 2014. Comments are due on August 11, 2014.

Committee for Purchase From People Who Are Blind or Severely Disabled

The Following Notice Was Issued:

[79 Fed. Reg. 32716](#), June 6, 2014, proposing to add products (Tissue, Toilet, 1-Ply, White, 96 rolls; Tissue, Toilet, 2-Ply, White, 96 rolls; Paper Shredder, High Security, Level 6, Cabinet Style; Paper Shredder, Desk-Side, Personal, Level 3, Cross-Cut; Individual Lockout Devices; Lockout/Tagout Kits; Broom, Sweeping; Battery) and services (Custodial Service, Federal Aviation Administration, Atlanta Large TRACON, 784 Highway 74 South, Peachtree City, GA; Fleet Maintenance, U.S. Department of Energy, National Nuclear Security Administration, Agent Operations Eastern Command, Office of Secure Transportation, Transportation Safeguards Training Site, Fort Chaffee, AR, 11408 Roberts Blvd., Fort Smith, AR) and delete a service (linen Distribution, Veterans Affairs Medical Center, 1900 East Main Street, Danville, IL) from the Procurement List. Comments are due July 7, 2014.