not occur. We are proposing to approve UDEQ's submittal with regard to the requirements of section 110(a)(2)(D)(i) prongs 1 and 2 for the 2008 Pb NAAQS.

IV. Proposed Action

The EPA is proposing to approve CAA section 110(a)(2)(D)(i)(I) prongs 1 and 2 for the 2008 Pb NAAQS, and proposing to disapprove prongs 1 and 2 for the 2008 ozone NAAQS based on consideration of modeling results in EPA's August 4, 2015 NODA. The EPA is soliciting public comments on this proposed action and will consider public comments received during the comment period.

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, the EPA's role is to approve state actions, provided that they meet the criteria of the Clean Air Act. Accordingly, this proposed action merely proposes approval of some state law as meeting federal requirements and proposes disapproval of other state law because it does not meet federal requirements; this proposed action does not propose additional requirements beyond those imposed by state law. For that reason, this proposed action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L.104–4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- Does not provide the EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP does not apply on any Indian reservation land or in any other area where the EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the proposed rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: April 26, 2016.

Shaun L. McGrath,

Regional Administrator, Region 8.

[FR Doc. 2016–10893 Filed 5–9–16; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Parts 227 and 252

[Docket DARS–2016–0010]

RIN 0750–AI91

Defense Federal Acquisition Regulation Supplement: Rights in Technical Data (DFARS Case 2016–D008)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Proposed rule.

SUMMARY: DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to implement a section of the National Defense Authorization Act for Fiscal Year 2016 that addresses rights in technical data relating to major weapon systems, expanding application of the presumption that a commercial item has been developed entirely at private expense.

DATES: Comments on the proposed rule should be submitted in writing to the address shown below on or before July 11, 2016, to be considered in the formation of a final rule.

ADDRESSES: Submit comments identified by DFARS Case 2016–D008, using any of the following methods:

- *Regulations.gov: http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by entering ''DFARS Case 2016–D008'' under the heading ''Enter keyword or ID'' and selecting ''Search.'' Select the link ''Submit a Comment'' that corresponds with ''DFARS Case 2016–D008.'' Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''DFARS Case 2016–D008'' on your attached document.
- *Email: osd.dfars@mail.mil.* Include DFARS Case 2016–D008 in the subject line of the message.
- *Fax:* 571–372–6094.
- *Mail:* Defense Acquisition Regulations System, Attn: Ms. Amy G. Williams, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060.

Comments received generally will be posted without change to *http://www.regulations.gov,* including any personal information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Ms. Amy G. Williams, telephone 571–372–6106.

SUPPLEMENTARY INFORMATION:

I. Background

DoD is proposing to revise the DFARS to implement section 813(a) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 (Pub. L. 114–92) that modifies 10 U.S.C. 2321(f) to address rights in technical data relating to major weapon systems.

The validation of asserted restrictions on technical data is based on statutory requirements, codified primarily at 10 U.S.C. 2321, which are implemented in the DFARS at 227.7102–3 for commercial technical data and at 227.7103–13 for noncommercial technical data, and incorporated into individual contracts via the clause

DFARS 252.227–7037, Validation of Restrictive Markings on Technical Data, for both commercial technical data and noncommercial technical data. By long-standing policy, these requirements and procedures are adapted and applied to noncommercial computer software (see 227.7203–13 and clause 252.227–7019, Validation of Asserted Restrictions—Computer Software), but are not applied to commercial computer software.

Since 1995, these validation procedures have included specialized presumptions and procedures for commercial technical data. For discussion purposes, these specialized requirements will be referred to as the ''Commercial Rule'' (see 10 U.S.C. 2320(b)(1) and 2321(f)). Under the Commercial Rule, a contracting officer is required to presume that a commercial item has been developed entirely at private expense, unless shown otherwise in accordance with the procedures at 10 U.S.C. 2321(f).

Subsequently, section 802(b) of the NDAA for FY 2007, as amended by section 815(a)(2) of the NDAA for FY 2008, modified 10 U.S.C. 2321(f)(2) to establish another specialized set of procedures for technical data related to major systems (including subsystems or components thereof). For discussion purposes, this second set of specialized requirements has been referred to as the ''Major Systems Rule.'' Under the Major Systems Rule, a contracting officer's challenge to asserted restrictions on technical data relating to a major system shall be sustained unless the contractor or subcontractor submits information demonstrating that the item was developed exclusively at private expense; except for commercially available off-the-shelf (COTS) items, which remained subject to the Commercial Rule in all cases.

The Major Systems Rule, as an exception to the Commercial Rule, was implemented in the DFARS via DFARS Case 2007–D003, which was published for comments as a proposed rule in the **Federal Registe**r on May 07, 2010 (75 FR 25161), and subsequently became effective via a final rule published on September 20, 2011 (76 FR 58144). As a result, the Commercial Rule was implemented for technical data at DFARS 227.7103–13(c)(1) and in the clause at DFARS 252.227–7037(b)(1), and the Major Systems Rule was implemented at 227.7103–13(c)(2) and 252.227–7037(b)(2). Additionally, the Major Systems Rule was applied to noncommercial computer software at 227.7203–13(d) and in the clause at 252.227–7019(f), although in the noncommercial computer software implementation the Major Systems Rule stands alone, rather than as an exception to the Commercial Rule, because neither the Commercial Rule, nor any element of the validation procedures overall, has been applied to commercial computer software.

Section 813(a) revised 10 U.S.C. 2321(f) to amend both the Commercial Rule and the Major Systems Rule in two primary ways:

(1) The major systems rule was narrowed to apply only to major weapon systems—essentially converting the Major Systems Rule into the Major Weapon Systems Rule.

(2) The COTS exception to the Major Systems Rule was expanded to include three additional exceptions. More specifically, the formerly COTS-only exception was expanded to include—

(i) COTS items with modifications of a type customarily available in the commercial marketplace or minor modifications made to meet Federal Government requirements;

(ii) Commercial subsystems or components of a major weapon system, if the major weapon system was acquired as a commercial item in accordance with 10 U.S.C. 2379(a); and

(iii) Components of a subsystem, if the subsystem was acquired as a commercial item in accordance with 10 U.S.C. 2379(b).

II. Discussion and Analysis

A. Implementation of the Statutory Changes for Validation of Asserted Restrictions on Technical Data

Because the DFARS already included an implementation of the Commercial Rule and Major Systems Rule, and section 813(a) revised only particular characteristics and subelements of the Major Systems Rule, the implementation of the statutory changes is relatively straightforward. More specifically, the Major Systems Rule is amended to apply only in the case of a major weapon system (see revised DFARS 227.7103–13(c)(2)(ii), and 252.227–7037(b)(2)), and the exception to the Major Systems Rule that previously referenced only COTS items, was expanded to include the three new exceptions, as well (see new DFARS 227.7103–13(c)(2)(ii)(1) through (3), and 252.227–7037(b)(2)(i)).

In addition, a minor change was made to the coverage for the Commercial Rule, which had previously referred to COTS items as always being covered by the Commercial Rule. Under the new schema, which includes four categories of items that are exceptions to the Major Weapon Systems Rule, and thereby are always governed by the Commercial Rule, it was deemed to be too complicated to refer to all four exceptions in both the coverage for the Commercial Rule and the Major Weapon Systems Rule. Accordingly, the exceptions are listed only within the Major Weapon Systems Rule, and the Commercial Rule merely cross-references that coverage as an exception to the Commercial Rule. In addition to avoiding unnecessary duplication in the coverage, this approach provides an advantage in circumstances involving an assertion regarding any type of commercial item that is not part of a major weapon system or subsystem thereof, such that there would be no need to parse through the entire Major Weapon Systems Rule only to find that the item is covered by one of the exceptions to the Major Weapon Systems Rule, and thus still covered by the Commercial Rule.

B. Application of the Revised Requirements and Procedures to Validation of Asserted Restrictions on Computer Software

DoD has made no additional edits to extend the section 813(a) construct to noncommercial computer software, and has deleted the baseline coverage of noncommercial computer software in major systems, currently at DFARS 227.7203–13(d) and 252.227–7019(f), because the purpose for the Major Weapon Systems Rule is to function as an exception to the Commercial Rule; but in the context of computer software, these validation procedures do not apply to commercial computer software, and the coverage for noncommercial computer software is concerned only with the Major Weapon Systems Rule procedures for noncommercial computer software. In the end, the application of the Major Weapon Systems Rule in those cases is extremely unlikely to reach a result that is any different from the application of the ''normal'' rules for noncommercial computer software. More specifically, in all cases the Government cannot initiate a challenge unless it has a reasonable basis to do so (see DFARS 227.7203–13(a) and (e)(3)(i), and 252.227–7019(d)(3) and (e)(1) for noncommercial computer software; see also 227.7103–13(a), (c)(1), and (d)(4), and 252.227–7037(d)(2) for technical data). After a challenge is initiated, both the Major Weapon Systems Rule and the ''normal'' validation procedures would result in the challenge being sustained unless the contractor provides information to demonstrate that the noncommercial computer software was developed exclusively at private expense.

III. Applicability to Contracts at or Below the Simplified Acquisition Threshold (SAT) and for Commercial Items, Including Commercially Available Off-the-Shelf (COTS) Items

This proposed rule does not add any new provisions or clauses or add new requirements to existing provision or clauses. Rather, when acquiring major weapon systems, it expands the circumstances relating to commerciality in which the contracting officer shall presume that development was exclusively at private expense.

IV. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is a significant regulatory action and, therefore, was subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

V. Regulatory Flexibility Act

DoD does not expect this proposed rule to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.* However, an initial regulatory flexibility analysis has been performed and is summarized as follows:

This proposed rule was initiated to implement section 813(a) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 (Pub. L. 114–92).

The objective of this rule is to reduce the requirement to respond to Government challenges of restricted rights, by expanding the applicability of the presumption regarding development exclusively at private expense in accordance with section 813(a) of the NDAA for FY 2016.

DoD cannot accurately determine the number of small entities that will be affected by this change in the regulations, because DoD does not have sufficient information about subcontract awards of subsystems and components of major weapon systems. However, DoD estimates an annual reduction of 50 prechallenge requests for information and 2 challenges of asserted technical data restrictions. DoD further estimates, based on data from the DoD FY 2014 Small Business Procurement Scorecard, that this reduction in challenges will affect about 17 small businesses (52 prechallenges/challenges × 33 percent of subcontract awards to small businesses).

The proposed rule reduces the requirement to respond to Government challenge of restricted rights. Under current regulations, the presumption regarding development exclusively at private expense does not apply to major systems or subsystems or components thereof, except for commercially available off-the-shelf items. This rule expands applicability of the presumption regarding development exclusively at private expense with regard to a major weapon system, or a subsystem or component thereof, to cover—

- A commercial subsystem or component of a major weapon system, if the major weapon system was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(a));
- A component of a subsystem, if the subsystem was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(b)); and
- Commercially available off-the-shelf items with modifications of a type customarily available in the commercial marketplace or minor modifications made to meet Federal Government requirements.

The classes of small entities that will be affected by this reduction are small businesses that provide any items in the above categories that are not challenged due to the new statute.

The rule does not duplicate, overlap, or conflict with any other Federal rules.

This rule reduces the burden on small entities to the maximum extent permitted by the statute.

DoD invites comments from small business concerns and other interested parties on the expected impact of this rule on small entities.

DoD will also consider comments from small entities concerning the existing regulations in subparts affected by this rule in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C 610 (DFARS Case 2016–D008), in correspondence.

VI. Paperwork Reduction Act

This rule affects the information collection requirements in the provisions at DFARS 252.227–7019 and 252.227–7037, currently approved under OMB Control Number 0704–0369, entitled ''Defense Federal Acquisition Regulation Supplement (DFARS): Rights in Technical Data and Computer Software,'' in accordance with the Paperwork Reduction Act (44 U.S.C. chapter 35). The rule is expected to result in a reduction of 1,040 hours in the total estimated burden hours. DoD will submit a change request to OMB to document the reduction in burden hours at the final rule stage.

A. Based on the advice of DoD subject matter experts, DoD currently estimates approximately 500 prechallenge requests for information and approximately 20 challenges per year associated with DFARS clause 252.227–7019, Validation of Asserted Restrictions—Computer Software, and 252.227–7037, Validation of Restrictive Markings on Technical Data. Including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information, the estimated average burden to respond to a prechallenge request for information is 10 hours, and the estimated average burden to respond to each challenge, is 270 hours, resulting in a weighted average of approximately 20 hours per response.

Under current regulations, the presumption regarding development exclusively at private expense does not apply to major systems or subsystems or components thereof, except for commercially available off-the-shelf items. This rule expands applicability of the presumption regarding development exclusively at private expense with regard to a major weapon system, or a subsystem or component thereof, to cover—

- A commercial subsystem or component of a major weapon system, if the major weapon system was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(a));
- A component of a subsystem, if the subsystem was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(b)); and
- Commercially available off-the-shelf items with modifications of a type customarily available in the commercial marketplace or minor modifications made to meet Federal Government requirements.

Therefore, DoD estimates a reduction of about 10 percent in the estimated number of prechallenge requests for information and challenges under DFARS 252.227–7019 and 252.227–7037 as follows:

	Current requirement	Revised	Delta
Respondents	520	468	52
Responses per respondent	1	1	1
Total annual responses	520	468	52
Preparation hours per response	20	20	20
Total response burden hours	10,400	9,360	1,040

B. Request for Comments Regarding Paperwork Burden

Written comments and recommendations on the proposed information collection, including suggestions for reducing this burden, should be sent to Ms. Jasmeet Seehra at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503, or email *Jasmeet_K._Seehra@omb.eop.gov,* with a copy to the Defense Acquisition Regulations System, Attn: Ms. Amy G. Williams, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060. Comments can be received from 30 to 60 days after the date of this proposed rule, but comments to OMB will be most useful if received by OMB within 30 days after the date of this proposed rule.

Public comments are particularly invited on: whether this collection of information is necessary for the proper performance of functions of the DFARS, and will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Defense Acquisition Regulations System, Attn: Ms. Amy G. Williams, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060, or email *osd.dfars@mail.mil.* Include DFARS Case 2016–D008 in the subject line of the message.

List of Subjects in 48 CFR Parts 227 and 252

Government procurement.

Jennifer L. Hawes,

Editor, Defense Acquisition Regulations System.

Therefore, 48 CFR parts 227 and 252 is proposed to be amended as follows:

■ 1. The authority citation for parts 227 and 252 continues to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR chapter 1.

PART 227—PATENT, DATA, AND COPYRIGHTS

■ 2. Amend section 227.7103–13 by—

■ a. In paragraph (c)(1), removing ''commercial item, component, or process'' and adding ''commercial item'' in its place and removing ''the item, component or process'' and adding ''that item'' in its place; and

■ b. Revising paragraphs (c)(2)(i) and (ii).

The revisions read as follows:

227.7103–13 Government right to review, verify, challenge and validate asserted restrictions.

* * * * *

(c) * * *

(2) * * *

(i) *Commercial items.* Except as provided in paragraph (c)(2)(ii) of this subsection, contracting officers shall presume that a commercial item was developed exclusively at private expense whether or not a contractor or subcontractor submits a justification in response to a challenge notice. When a challenge is warranted, a contractor's or subcontractor's failure to respond to the challenge notice cannot be the sole basis for issuing a final decision denying the validity of an asserted restriction.

(ii) *Major weapon systems.* When the contracting officer challenges an asserted restriction regarding technical data for a major weapon system or a subsystem or component thereof on the basis that the technology was not developed exclusively at private expense—

(A) The presumption in paragraph (c)(2)(i) of this subsection applies to—

(*1*) A commercial subsystem or component of a major weapon system, if the major weapon system was acquired as a commercial item in accordance with subpart 234.70 (10 U.S.C. 2379(a));

(*2*) A component of a subsystem, if the subsystem was acquired as a commercial item in accordance with subpart 234.70 (10 U.S.C. 2379(b)); and

(*3*) Any other component, if the component is a commercially available off-the-shelf item or a commercially available off-the-shelf item with modifications of a type customarily available in the commercial marketplace or minor modifications made to meet Federal Government requirements; and

(B) In all other cases, the contracting officer shall sustain the challenge unless information provided by the contractor or subcontractor demonstrates that the item was developed exclusively at private expense.

* * * * *

227.7203–13 [Amended]

■ 3. Section 227.7203–13 is amended by removing paragraph (d) and redesignating paragraphs (e), (f), and (g) as paragraphs (d), (e), and (f), respectively.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

■ 4. Amend section 252.227–7019 by—

■ a. Removing the clause date ''(SEPT 2011)'' and adding ''(DATE)'' in its place;

■ b. Removing paragraph (f);

■ c. Redesignating paragraphs (g), (h), (i), and (j) as paragraphs (f), (g), (h), and (i), respectively;

■ d. In newly redesignated paragraph (f)(5)—

■ i. Removing ''(g)(1)'' and adding ''(f)(1)'' in its place;

■ ii. Removing ''Officer will'' and adding ''Officer shall'' in its place; and

■ iii. Removing ''paragraph (f) of this clause and'';

■ f. In newly redesignated paragraph (f)(6) introductory text, removing ''the written explanation furnished pursuant to paragraph (f)(1) of this clause, or any other'' and adding ''any'' in its place;

■ g. In newly redesignated paragraph (g)(1) introductory text, removing ''(h)(3)'' and adding ''(g)(3)'' in its place; and

■ h. In newly redesignated paragraph (g)(3), removing ''(h)(1)'' and adding ''(g)(1)'' in its place.

■ 5. Amend section 252.227–7037 by—

■ a. Removing the clause date ''(JUN 2013)'' and adding ''(DATE)'' in its place; and

■ b. Revising paragraphs (b)(1) and (2).

The revision reads as follows:

252.227–7037 Validation of restrictive markings on technical data.

(b) * * *

(1) *Commercial items.* (i) Except as provided in paragraph (b)(2) of this clause, the Contracting Officer will presume that the Contractor's or a subcontractor's asserted use or release restrictions with respect to a commercial item is justified on the basis that the item was developed exclusively at private expense.

(ii) The Contracting Officer will not challenge such assertions unless the Contracting Officer has information that demonstrates that the commercial item was not developed exclusively at private expense.

(2) *Major weapon systems.* In the case of a challenge to a use or release restriction that is asserted with respect to data of the Contractor or a subcontractor for a major weapon system or a subsystem or component thereof on the basis that the major weapon system, subsystem, or component was developed exclusively at private expense—

(i) The presumption in paragraph (b)(1) of this clause applies to—

(A) A commercial subsystem or component of a major weapon system, if the major weapon system was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(a));

(B) A component of a subsystem, if the subsystem was acquired as a commercial item in accordance with DFARS subpart 234.70 (10 U.S.C. 2379(b)); and

(C) Any other component, if the component is a commercially available off-the-shelf item or a commercially available off-the-shelf item with modifications of a type customarily available in the commercial marketplace or minor modifications made to meet Federal Government requirements; and

(ii) In all other cases, the challenge to the use or release restriction will be sustained unless information provided by the Contractor or a subcontractor demonstrates that the item or process was developed exclusively at private expense.

* * * * *

[FR Doc. 2016–10827 Filed 5–9–16; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 252

[Docket DARS–2016–0016]

RIN 0750–AI94

Defense Federal Acquisition Regulation Supplement: Display of Hotline Posters (DFARS Case 2016–D018)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Proposed rule.

SUMMARY: DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to consolidate the multiple hotline posters into one poster that delineates multiple reportable offenses.

DATES: Comments on the proposed rule should be submitted in writing to the address shown below on or before July 11, 2016, to be considered in the formation of a final rule.

ADDRESSES: Submit comments identified by DFARS Case 2016–D018, using any of the following methods:

○ *Regulations.gov: http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by entering ''DFARS Case 2016–D018'' under the heading ''Enter keyword or ID'' and selecting ''Search.'' Select the link ''Submit a Comment'' that corresponds with ''DFARS Case 2016–D018.'' Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''DFARS Case 2016–D018'' on your attached document.

○ *Email: osd.dfars@mail.mil.* Include DFARS Case 2016–D018 in the subject line of the message.

○ *Fax:* 571–372–6094.

○ *Mail:* Defense Acquisition Regulations System, Attn: Mr. Christopher Stiller, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060.

Comments received generally will be posted without change to *http://www.regulations.gov,* including any personal information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Mr. Christopher Stiller, telephone 571–372–6176.

SUPPLEMENTARY INFORMATION:

I. Background

This rule proposes to revise the DFARS to update DFARS clause 252.203–7004, Display of Hotline Posters. This clause currently requires the display of a DoD fraud hotline poster, a separate combating trafficking in persons poster, and a whistleblower protection poster. DoD has consolidated the posters into one poster to reduce the number of posters required to be displayed and proposes updating the clause accordingly. This rule also removes the United States-only restriction for use of the DoD poster, because the human trafficking poster requires display outside the United States, even though the fraud hotline poster did not. Additionally, if the contract is funded, in whole or in part, by the Department of Homeland Security (DHS) disaster relief funds and the work is to be performed in the United States, the DHS fraud hotline poster must also be displayed. The clause also is amended to provide contact information for obtaining the DHS poster.

II. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

III. Regulatory Flexibility Act

DoD does not expect this proposed rule to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.* However, an initial regulatory flexibility analysis has been performed and is summarized as follows: