on the use of options. This rule eliminates a provision on the use of options which is more restrictive than coverage in the Federal Acquisition Regulation (FAR).

EFFECTIVE DATE: March 8, 1995.

FOR FURTHER INFORMATION CONTACT: Paul Schaffer at (202) 260–9032, Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460 (Mail Code 3802F).

SUPPLEMENTARY INFORMATION:

A. Background

Under this rule, EPA Contracting Officers (COs) will no longer need the approval of the Chief of the Contracting Office (CCO) (which includes the Office of Acquisition Management Division Directors at Headquarters, Research Triangle Park, NC, and Cincinnati, OH) when the use of options for increased quantities of supplies or services exceed 50% of the base quantity specified in the contract for a particular period. FAR coverage, which is less restrictive, is adequate.

Under this rule, EPA COs will no longer need the approval of the CCO when the use of options, combined with

the base contract period, results in a total contract period of performance which exceeds thirty-six (36) months. CCO approval will be required only for total contract periods in excess of sixty (60) months, unless otherwise prohibited by statute.

B. Executive Order 12866

This rule is not a significant regulatory action as defined in Executive Order 12866. Therefore no review is required at the Office of Information and Regulatory Affairs within OMB.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this rule does not propose any information collection requirements which would require the approval of OMB under 44 U.S.C. 3501, et seq.

D. Regulatory Flexibility Act

The EPA certifies this rule will have no significant impact on small entities, since the rule eliminates a procedure internal to the Government. Therefore, no regulatory flexibility analysis has been prepared.

List of Subjects in 48 CFR Part 1517

Special contracting methods.

For the reasons set out in the preamble, Chapter 15 of Title 48, Code of Federal Regulations is amended as set forth below:

1. The authority citation for Part 1517 continues to read as follows:

Authority: Sec 205(c), 63 Stat. 390, as amended, 40 U.S.C. 486(c).

§1517.202 [Removed]

- 2. Subpart 1517.2 is amended by removing section 1517.202.
- 3. Subpart 1517.2 is amended by adding section 1517.204 to read as follows:

1517.204 Contracts.

The CCO may approve a contract with a base contract period and option periods which total in excess of five (5) years, unless otherwise prohibited by statute.

Dated: February 27, 1995.

Betty L. Bailey,

Director, Office of Acquisition Management. [FR Doc. 95–5660 Filed 3–7–95; 8:45 am]
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