23 and FIRMR Bulletin C–2 will make the references no longer valid.

(3) GSA has determined that this rule is not a significant rule for the purposes of Executive Order 12866 of September 30, 1993, because it is not likely to result in any of the impacts noted in Executive Order 12866, affect the rights of specified individuals, or raise issues arising from the policies of the Administration. GSA has based all administrative decisions underlying this rule on adequate information concerning the need for and consequences of this rule; has determined that the potential benefits to society from this rule outweigh the potential costs; has maximized the net benefits; and has chosen the alternative approach involving the least net cost to society.

List of Subjects in 41 CFR Parts 201-23 and 201-24

Archives and records, Computer technology, Federal information processing resources activities, Government procurement, Property management, Records management, and Telecommunications.

Accordingly 41 CFR Ch. 201 is proposed to be amended as follows:

PART 201-23—DISPOSITION

Part 201–23 is revised to read as follows:

Authority: 40 U.S.C. 486(c) and 751(f).

Sec.

201-23.000 Scope of part.

201–23.000 Scope of 201–23.001 General.

201–23.002 Policies.

201–23.003 Procedures.

§ 201-23.000 Scope of part.

This part prescribes policies and procedures to be followed by agencies for disposing of Government-owned Federal information processing (FIP) equipment and software that is no longer needed for the purpose for which it was acquired.

§ 201-23.001 General.

- (a) Government-owned FIP equipment that is no longer needed for the purpose for which it was acquired is either—
 - (1) Reassigned within the agency:
- (2) Declared excess to the agency's needs and made available for transfer to another agency;
- (3) Exchanged or sold as part of a transaction to acquire replacement FIP equipment; or
- (4) Declared surplus and made available for donation.
- (b) FIP software that is no longer needed for the purpose for which it was acquired is either—

(1) Reassigned within the agency consistent with the limitations of any applicable license; or

(2) Otherwise disposed of consistent with the limitations of any applicable license.

§ 201-23.002 Policies.

Agencies shall—

(a) Use FIP equipment of FIP software that is available for reassignment within the agency or by transfer from another agency when such use is the most advantageous alternative to satisfy the agency's requirements.

(b) Make available for reassignment within the agency FIP equipment that is not outdated and that is no longer needed for the purpose for which it was

acquired.

- (c) Make available for interagency screening and transfer to another agency, excess FIP equipment that is not outdated and has an original acquisition cost (OAC) per component of \$1 million or more. Interagency transfer of FIP equipment that is not outdated with an OAC per component of less than \$1 million, is permitted if the holding agency learns of a potential user outside of the screening process. Agencies may interagency screen and transfer excess FIP equipment without GSA approval.
- (d) Make available for surplus donation or subsequent sale, excess FIP equipment not exchanged, sold, reassigned or transferred.

(e) Consistent with the limitations of

any applicable license—

(1) Make available for reassignment within the agency FIP software that is no longer needed for the purpose for which it was acquired;

- (2) Make available for interagency transfer, excess FIP software not exchanged or sold, if the holding agency learns of a potential user outside of the screening process (GSA does not require interagency screening of FIP software);
- (3) For excess FIP software not reassigned, transferred, exchanged, or sold, either:
 - (i) Return it to the licensor, or
- (ii) Destroy it after a duly authorized agency official determines in writing that destruction is the most costeffective disposal approach.

§ 201-23.003 Procedures.

- (a) Each agency head shall designate an agency point of contact of managing the disposition of FIP equipment and software. Each agency shall submit the name, address, and phone number of this individual to the General Services Administration, Acquisition Reviews Division (KAA), 18th & F Streets, NW., Washington, DC 20405.
- (b) GŠA will convene meetings with agency points of contacts periodically to

discuss emerging issues relating to the disposition of excess FIP resources.

(c) Agencies shall-

(1) Establish procedures for the reassignment of FIP equipment and software within the agency; and

(2) Obtain approval from the agency DSO before reassigning outdated FIP

equipment.

- (d) Agencies shall offer excess FIP equipment that is not outdated and has an OAC per component of \$1 million or more to other Federal agencies in accordance with FIRMR Bulletin C–2.
- (e) Agencies may conduct exchange/ sale transactions of FIP equipment and software not transferred to another agency without GSA approval. (Exchange/sale transactions for FIP equipment may be initiated in parallel with interagency screening, but screening of exchange/sale transactions with an OAC per component of \$1 million or more shall be completed prior to concluding an exchange/sale transaction.) When an agency determines that FIP equipment will be replaced by exchanging or selling it, the agency shall follow the contracting policies and procedures in part 201-39 and the Federal Acquisition Regulation (FAR) and the policies and procedures on exchange/sale contained in 41 CFR part 101–46. FIP software transactions must be consistent with the limitations of any applicable license.
- (f) Agencies shall make available for surplus donation or subsequent sale, in accordance with 41 CFR parts 101–44 and 101–45, excess FIP equipment not exchanged, sold, reassigned, or transferred.
- (g) Agencies shall apply the policies and procedures of this part 201–23 to FIP equipment used by grantees and contractors when FIP equipment is—
- (1) Acquired by the contractor or grantee under a contract or grant and the terms vest title in the Government or the Government is obligated or has the option to take over title;
- (2) Furnished to the grantee or contractor by the Government (Transfer of excess FIP equipment to agency project grantees shall be conducted in accordance with 41 CFR 101–43.314.); or
- (3) Operated by the grantee or contractor as part of a Government-owned or Government-controlled facility.
- (h) Agencies may request GSA to review another agency's decision to transfer excess FIP equipment. Requests shall be sent to the General Services Administration, Acquisition Reviews Division, (KAA), 18th & F Streets, NW., Washington, DC 20405.