the course of making a capability determination.

The nonprofit agency has met all FDA requirements for producing lancets. Contrary to what the contractor implied, there is no FDA list of critical defects for lancets. FDA guidelines merely reflect general good manufacturing practices for medical devices, which the nonprofit agency will follow.

The specific defects the contractor mentioned, including reversed or overly long needles in the lancets, appear to be a factor in the operation of the contractor's automated manufacturing process. The nonprofit agency plans to load the needles by hand, which will avoid these defects. The more manually intensive manfacturing process to be used will also be easier and safer for people with severe disabilities. The process is consistent with injection molding operations which have been successfully used by other nonprofit agencies to produce items under the Committee's program.

The contractor questioned the nonprofit agency's ability to produce acceptable lancets on short notice, based on the contractor's "learning curve" to produce the lancets. The nonprofit agency does not intend to start at a high volume of production, but to have a pilot production period to perfect its production methods. In addition, initial orders will come from individual Government medical centers, which will allow the nonprofit agency to ensure that it will not receive more orders than it is capable of filling during the startup period.

Contrary to the contractor's contention, the Committee's statute requires qualified nonprofit agencies to have an overall 75 percent direct labor ratio for the work they do on all commodities and services they produce. The ratio requirement does not apply to all work which must be done to produce each Government item. The nonprofit agency will be using well above this percentage in the work they will do on the lancets. Inspection is considered indirect labor which is not counted in determining compliance with the requirement.

The contractor did not challenge the initial fair market price for the lancets, which was based on bids submitted on the last competitive procurement, in accordance with the Committee procedures.

The contractor's contention that the Committee's fair market pricing procedure is inconsistent with the Committee's statute challenges the "price change exception" procedure, which the contractor claims insulates the Committee's prices from changes in

the market. However, as its name implies, this procedure is used only on an exceptional basis. The procedure allows a price change to be based on actual cost experience rather than changes in a producer price index. Where the exception is used, the Committee believes that commercial users would experience similar cost changes, so the price change exception procedure would have a relation to the market.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the commodity, fair market price, and impact of the addition on the current or most recent contractors, the Committee has determined that the commodity listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46–48c and 41 CFR 51–2.4.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

- 1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the commodity to the Government.
- 2. The action does not appear to have a severe economic impact on current contractors for the commodity.
- 3. The action will result in authorizing small entities to furnish the commodity to the Government.
- 4. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the commodity proposed for addition to the Procurement List.

Accordingly, the following commodity is hereby added to the Procurement List:

Lancet, Finger Bleeding Special Item B–11

(Requirements for the Department of Veterans Affairs under the Multiple Award Schedule FSC Group 65, Part II. Section B)

This action does not affect current contracts awarded prior to the effective date of this addition or options exercised under those contracts.

Beverly L. Milkman,

Executive Director.

[FR Doc. 95-24328 Filed 9-28-95; 8:45 am] BILLING CODE 6820-33-P

Procurement List; Additions

AGENCY: Committee for Purchase From People Who Are Blind or Severely Disabled.

ACTION: Additions to the Procurement List.

SUMMARY: This action adds to the Procurement List a commodity and services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities. EFFECTIVE DATE: October 30, 1995. **ADDRESSES:** Committee for Purchase From People Who Are Blind or Severely Disabled, Crystal Square 3, Suite 403, 1735 Jefferson Davis Highway, Arlington, Virginia 22202–3461. FOR FURTHER INFORMATION CONTACT: Beverly Milkman (703) 603-7740. **SUPPLEMENTARY INFORMATION:** On June 17, 1994, March 17, July 28, August 4, 11 and 18, 1995, the Committee for Purchase From People Who Are Blind or Severely Disabled published notices (59 F.R. 31217, 60 FR 14427, 38794,

additions to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the commodity and services, fair market price, and impact of the additions on the current or most recent contractors, the Committee has determined that the commodity and services listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46–48c and 41 CFR 51–2.4.

39947, 41060 and 43126) of proposed

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

- 1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the commodity and services to the Government.
- 2. The action does not appear to have a severe economic impact on current contractors for the commodity and services.
- 3. The action will result in authorizing small entities to furnish the commodity and services to the Government.
- 4. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the commodity and services proposed for addition to the Procurement List. Accordingly, the following commodity and services are hereby added to the Procurement List: