

**Federal Acquisition Regulation
Federal Acquisition Circular 2022-01 Summary of Rules
FAC 2022-01**

<u>Item</u>	<u>Subject</u>	<u>FAR Case</u>
I	Revision of Definition of “Commercial Item”	2018-018
II	Consolidation and Substantial Bundling	2019-003
III	Maximum Award Price for Certain Sole Source Manufacturing Contracts	2021-007

Item I— Revision of Definition of “Commercial Item” (FAR Case 2018-018)

This final rule amends the FAR to implement section 836 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115– 232). The rule removes the definition of “commercial item” and replaces it with definitions of “commercial product” and “commercial service” and makes conforming changes throughout the FAR.

Item II— Consolidation and Substantial Bundling (FAR Case 2019-003)

This final rule amends the FAR to implement section 863 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 (Pub. L. 114–92, codified at 15 U.S.C. 644(e)(3) and 15 U.S.C. 657q(c)(2)) and the Small Business Administration (SBA) implementing regulations. SBA published a final rule to implement section 863 on November 29, 2019, at 84 FR 65647. Section 863 requires the agency head to publish a notice on a public website within 7 days of making the determination that an acquisition plan involves a substantial bundling of contract requirements. Section 863 also requires the Senior Procurement Executive or Chief Acquisition Officer to publish a notice on a public website that consolidation of contract requirements is necessary and justified. In both cases, the agency may not issue the solicitation any earlier than 7 days after publication of the notices. The agency must also publish the justification along with the solicitation.

Item III— Maximum Award Price for Certain Sole Source Manufacturing Contracts (FAR Case 2021-007)

This final rule amends the FAR to implement section 864 of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116–283, January 1, 2021). Section 864 amends the Small Business Act to modify the maximum award price for manufacturing contracts to \$7 million for 8(a) program participants, Women-Owned Small Business (WOSB) program participants, Historically Underutilized Business Zone (HUBZone) small business concerns, and Service-Disabled Veteran-Owned Small Business (SDVOSB) concerns.