

would be the MSFC prefix designation. The DEN—8 prefix would be followed by five blank spaces and the numeral one, i.e. Den—8—1. Contracts will be sequentially numbered beginning with "1." No contract number shall exceed eleven (11) total digits.

14. In Part 20, 20.401-2 and 20.401-3 are revised as follows:

S20.401-2 Contracts Requiring Headquarters Approval. On all contracts and all supplemental agreements issued thereto, requiring approval of the Director of Procurement, one executed copy will be retained by the Office of Procurement, NASA Headquarters (see 20.401-3).

S20.401-3 Distribution of Contract Documents by Headquarters. Upon approval (or disapproval) of the proposed contract or supplemental agreement, the Director of Procurement will forward the original and two executed copies of the contract or supplemental agreement together with the contract file to the Procurement Officer or other official as deemed appropriate.

PART 25—PRODUCTION SURVEILLANCE AND REPORTING

15. In Part 25, 25.202 and 25.203 are revised as follows:

S25.202 Production Progress Reporting by Contractors.

(a) When production progress reports are required from the contractor, the clause set forth in ASPR 7-104.51 shall be included in the contract.

(b) Reports shall be made on DD Form 375, Production Progress Reports, or any other form approved by the Office of Management and Budget under the Federal Reports Act of 1942 (P.L. 77-831). Automatic data processing equipment printouts may be substituted for the DD Form 375 provided they contain identical data. Automatic data processing cards or tape or electrical transmissions which contain the data normally contained in these reports may be authorized in lieu of the printed form. Contract schedule provisions supporting the clause referenced in (a) above shall contain but not be limited to instructions relative to (i) the frequency and timing (normally five workdays after each reporting period) of reporting; (ii) the contract line items, exhibits, or exhibit line items for which reporting is required; (iii) offices and mailing addresses to which reports shall be sent, including the purchasing office, the contract administration office (three copies), status control activities and inventory managers, if appropriate; and

(iv) special requirements as to codes and formats. When reporting an actual or potential delinquency, the contractor prepared DD Form 375c shall, as a minimum, contain the following data:

(i) Problem—a statement of the difficulty, the reasons therefor and whether caused by the Government or the contractor;

(ii) items and quantities affected;

(iii) date of commencement of the anticipated or actual delinquency;

(iv) action taken by the contractor to overcome the anticipated or actual delinquency;

(v) estimated recovery date based upon evaluation of the factors contributing to the delinquency; and

(vi) a realistic schedule revision which can be met by the contractor.

In the absence of an actual or potential delinquency, the DD Form 375c may be used to provide any information which the contractor deems appropriate.

(c) If the contract is assigned or delegated for contract administration, the contract administration office shall take appropriate action to enforce contract production reporting requirements. The accuracy of contractor-prepared reports shall be verified by either (i) a program of continuous surveillance over the contractor's system for preparation of the reports, or (ii) by individual review of each report.

(d) If the contractor's report indicates that the contract schedule will be met and the contract administration office concurs, no further report by the contract administration office is required. If, on the other hand, either (i) the contractor forecasts a delivery or performance failure, or (ii) the contract administration office does not concur in the contractor's no-failure report, and in either case (A) the delay is expected to be for more than 30 days, or (B) purchasing office action, in any case, is deemed necessary, the contract administration office shall add an endorsement and forward a copy to the purchasing office and to the inventory control manager unless otherwise specified in the contract, within four working days after receipt of the contractor's report. The endorsement shall include:

(i) comments as to nonconcurrency, if applicable;

(ii) Action Taken—by the contractor and by the Government to overcome the anticipated or actual delinquency;

(iii) Action Required—a positive recommendation to the purchasing office of the action necessary to correct the delinquency, including any realistic

schedule revision which can be met by the contractor and the extent to which the contractor may have excusable cause of delay. When other actions are indicated, such as those leading to default termination, the contract administration office shall indicate specific dates by which Government action should be taken to preserve the Government's rights.

S25.203 Delinquency Reports Initiated by Contract Administration Offices.

The contract administration office may, at any time, and, at its option, advise the purchasing office or, if so identified in the contract, the inventory manager, of any potential or actual delay in performance or delivery. Advice may be furnished by use of:

- (i) DD Form 375-2, Delay in Delivery (Flash Notice), in accordance with (b);
- (ii) DD Form 375, Production Progress Report, plus DD Form 375c (continuation); or
- (iii) message; or
- (iv) letter.

[FR Doc. 79-17665 Filed 6-6-79; 8:45 am]

BILLING CODE 7510-01-M

41 CFR Parts 1, 7

[Procurement Regulation Directive 78-13]

NASA Procurement Regulation (NPR)

AGENCY: National Aeronautics and Space Administration.

ACTION: Final rule.

SUMMARY: The changes in this document are made to further align the NASA Procurement Regulation with the Armed Services Procurement Regulation in the areas of advance payment of contract financing and property administration.

EFFECTIVE DATE: June 7, 1979.

FOR FURTHER INFORMATION CONTACT: James H. Wilson, Policy Division (Code HP-1), NASA Headquarters, Washington, D.C. 20546, Telephone: 755-2237.

SUPPLEMENTARY INFORMATION: 1. In Part 1, 1.358 is revised; in Part 7, 7.452-4 is revised; and Appendix J, 5001 is revised. These revisions are to update NASA Procurement Regulation coverage on advance payments authorization for primary recipient nonprofit organizations and educational institutions.

2. Supplement 3 to the NASA Procurement Regulation is revised to:

(a) clarify the reporting requirements associated with NASA Form 1018; and
 (b) redefine the property administrator's duties and responsibilities.

Authority: The provisions of this document are issued under 42 U.S.C. 2473(b)(1).

Stuart J. Evans,

Director of Procurement.

PART 1—GENERAL PROVISIONS

1. In Part 1, 1.358 is revised as follows:

1.358 Advance Payment Method of Contract Financing.

Advance payments without interest are authorized for contracts with primary recipient nonprofit organizations and educational institutions. Primary recipient means a recipient organization receiving cash advances directly from the Federal Government. The statutory authorities for advance payments are 10 U.S.C. 2307, 42 U.S.C. 2473(c)(5), and Public Law 85-804 as implemented by Executive Order 10789. (See 3.303(a)(ii), *Determinations and Findings Below the Administrator Level*, 7.452-4, *Advance Payments*, and Appendix J, Subpart 50, *Advance Payments*.)

PART 7—CONTRACT CLAUSES

2. In Part 7, 7.452-4 through 7.452-6 [Reserved] is revised to read 7.452-5 and 7.452-6 [Reserved]; in Part 7, 7.452-4 is added as follows:

7.452-4 Advance Payments.

(a) When advance payments are to be made (see 1.358), insert the following clause:

Advance Payment (October 1978)

(a) *Payment Method.* Advance payments by the (insert "Letter of Credit" or "Direct Treasury Check") method will be made in accordance with procedures provided in writing to the Contractor by the Contracting Officer. The Contracting Officer reserves the right to redetermine the payment method to be used. Upon such redetermination the Contracting Officer shall unilaterally amend this contract and notify the Contractor in writing 45 days prior to the effective date of the change in method of payment.

(b) *Amount of Advance and Other Payments.* In no instance will the total payments provided under the contract exceed the amount of the contract, as amended, less the amount of withholding provided therein.

(c) *Use of Funds.* The advance payments provided shall be used by the Contractor solely for the purposes of making payments for items of allowable costs allocable to this contract, pursuant to NASA Procurement Regulation, Part 15, or to reimburse the Contractor for such items of cost, and for such other purposes as the Contracting Officer may approve in writing. The

Contractor shall not make advance payments to his contractors or subcontractors with advance payments received from the Government under this contract. Any interpretation required as to the proper use of funds shall be made in writing by the Contracting Officer.

(d) *Return of Funds.* The Contractor may at any time repay all or any part of funds obtained by advance payments. When requested in writing by the Contracting Officer, the Contractor shall repay to the Government such amount of the unobligated balance of advance payments as the Contracting Officer deems to be in excess of the Contractor's current needs or the unpaid contract price.

(e) *Termination of Advance Payments.* If the Contractor demonstrates an unwillingness or inability to establish procedures or follow the written procedures provided by the Contracting Officer to minimize the elapsed time between advance payments and the related disbursements, the Contracting Officer may terminate the advance payments by providing written notification of such termination to the Contractor. In that event the Contracting Officer may require immediate repayment to the Government of the unobligated balance of advance payments and unilaterally amend this contract to prescribe an appropriate payment clause that will be applicable thereafter.

(f) *Liquidation.* If, upon completion or termination of this contract, all advance payments obtained by the Contractor have not been fully liquidated by authorized charges under the contract, the unliquidated balance shall be deducted from any sums due the Contractor from the Government, and any excess funds shall be repaid by the Contractor to the Government upon demand.

(g) *Lien on Property Under Contract.* Any and all advance payments made under this contract shall be secured by a lien in favor of the Government, paramount to all other liens, upon the supplies or other things covered by this contract and on all material and other property acquired for or allocated to the performance of this contract, except to the extent that the Government by virtue of any other provision of this contract, or otherwise, shall have valid title to such supplies, materials, or other property as against other creditors of the Contractor. The Contractor shall identify by marking or segregating all property which is subject to a lien in favor of the Government by virtue of any provision of this contract in such a way as to indicate that it is subject to such lien and that it has been acquired for or allocated to the performance of this contract. If for any reason such supplies, materials, or other property are not identified by marking or segregation, the Government shall be deemed to have a lien to the extent of the Government's interest under this contract on any mass of property with which such supplies, materials, or other property are commingled. The Contractor shall maintain adequate accounting control over such property on his books and records.

If, at any time during the progress of the work on the contract, it becomes necessary to deliver any item or items and materials upon

which the Government has a lien as aforesaid to a third person, the Contractor shall notify such third person of the lien herein provided and shall obtain from such third person a receipt in duplicate, acknowledging the existence of such lien. A copy of each receipt shall be delivered by the Contractor to the Contracting Officer. If this contract is terminated in whole or in part and the Contractor is authorized to sell or retain termination inventory acquired for or allocated to this contract, such sale or retention shall be made only if approved by the Contracting Officer, which approval shall constitute a release of the Government's lien hereunder to the extent that such termination inventory is sold or retained, and to the extent that the proceeds of the sale, or the credit allowed for such retention on the Contractor's termination claim, is applied in reduction of advance payments then outstanding hereunder.

(h) *Default Provisions.* Upon the occurrence of any of the following events of default,

(i) termination of this contract by reason of fault of the Contractor;

(ii) a finding by the Contracting Officer that the Contractor

(A) has failed to observe any of the covenants, conditions or warranties of these provisions or has failed to comply with any material provision of this contract, or

(B) has so failed to make progress, or is in such unsatisfactory financial condition, as to endanger performance of this contract, or

(C) has allocated inventory to this contract substantially exceeding reasonable requirements, or

(D) is delinquent in payment of taxes or of the costs of performance of this contract in the ordinary course of business;

(iii) appointment of a trustee, receiver or liquidator for all or a substantial part of the Contractor's property, or institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Contractor; or

(iv) the commission of an act of bankruptcy; the Government, without limiting any rights which it may otherwise have, may, in its discretion and upon written notice to the Contractor, without further withdrawals and payments on this contract.

Upon the continuance of any such events of default for a period of thirty (30) days after such written notice to the Contractor, the Government may, in its discretion, and without limiting any other rights which the Government may have, take the following additional actions as it may deem appropriate in the circumstances:

(A) charge interest on advance payments outstanding during the period of any such default at the rate established by the Secretary of the Treasury pursuant to Public Law 92-41, 85 Stat. 87 for the Renegotiation Board;

(B) demand immediate repayment of the unliquidated balance of advance payments hereunder; or

(C) take possession of and, with or without advertisement, sell at public sale at which the Government may be the purchaser, or at private sale, all or any part of the property on

which the Government has a lien under this contract and, after deducting any expenses incident to such sale, apply the net proceeds of such sale in reduction of the unliquidated balance of advance payments hereunder and in reduction of any other claims of the Government against the Contractor.

(i) *Prohibition Against Assignment.*

Notwithstanding any other provisions of this contract, the Contractor shall not transfer, pledge, or otherwise assign this contract or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financing institution.

(j) *Information-Access to Records.* The Contractor shall furnish to the cognizant NASA installation Financial Management Office quarterly Federal Cash Transactions Reports (Standard Form 272) as prescribed in instructions provided to the Contractor and such other information concerning the financial operation of the Contractor's business as may be requested. The Contractor shall afford to the Contracting Officer or his representative proper facilities for inspection of the Contractor's books, records and accounts, at all reasonable times until the expiration of 3 years from the date of final payment under this contract.

(k) *Other Security.* The terms of this contract shall be considered adequate security for advance payments hereunder, except that if at any time the Contracting Officer deems the security furnished by the Contractor to be inadequate, the Contractor shall furnish such additional security as may be satisfactory to the Contracting Officer, to the extent that such additional security is available.

(b) The contracting officer, in consultation with General Counsel, may require special security provisions if appropriate in particular cases. For example, the following clause may be included if considered appropriate:

Security for Advance Payments (October 1978)

During the period of time that advance payments may be made hereunder and so long as any such advance payments remain unliquidated, the Contractor shall not mortgage, pledge, or otherwise encumber, or suffer to be encumbered, any of the assets of the Contractor now owned or hereafter acquired by him, or permit any preexisting mortgages, liens, or other encumbrances to remain on or attach to any assets of the Contractor which are allocated to the performance of this contract and with respect to which the Government has a lien hereunder, without the prior written consent of the Contracting Officer.

3. In Appendix J, J. 5000 and J. 5002 are revised as follows:

J. 5000 Scope of Subpart. This Subpart sets forth guidance for the preparation of an Advance Payments Determination and Findings to be made by the Director of Procurement.

J. 5001 Advance Payments. The following is the standard text of

findings, determination and authorization for use in establishing advance payments with nonprofit institutions (including educational institutions).

National Aeronautics and Space Administration, Washington, D.C.

Findings, Determination, and Authorization for Advance Payments

1. I hereby find that:

a. The National Aeronautics and Space Administration and (contractor) have entered (propose to enter) into negotiated Contract No. for (purpose of the contract).

(Summary of the specific facts and significant circumstances concerning the contract and contractor, which together with the other findings, will clearly support the determinations below.)

b. Advance payments in an amount not to exceed \$..... are required by the contractor in order to perform under the contract. Such amount does not exceed the unpaid contract price.

c. The advance payments are necessary for prompt and efficient performance of the contract, which will benefit the Government.

d. The "Advance Payments" clause contains appropriate provisions for the protection of the Government's interest. This includes provisions that the Government will have a lien, paramount to all other liens, upon (i) the supplies contracted for, and (ii) any material or property acquired for the performance of the contract. Such security is deemed to be adequate.

e. The contractor is a nonprofit (educational) (and) (research) institution, and the contract is for (experimental) (.) (research and development) work, without profit to the contractor.

Determination

2. Upon the basis of the above findings, I hereby determine that the making of advance payments, without interest, is in the public interest.

Authorization

Advance payments in the amount of \$..... are hereby authorized pursuant to 10 U.S.C. 2307. Outstanding payments may at no time exceed the unpaid contract price.

Director of Procurement

Date: _____

Instructions:

1. A request for advance payment provisions will be prepared in final form (original and the official file copy (NASA Form 1267) and forwarded to the Director of Procurement, NASA Headquarters (Code HS-1) for approval. The request should include the following: (a) the name of the cognizant NASA Headquarters Program or Staff Office; (b) the negotiation exception to support the requirement, if it is other than 10 U.S.C. 2304(a)(5); (c) if a fee is contemplated, the estimated cost, amount and percent of fee, the total cost and fee, and the factors that were considered in determining the fee (see

3.808); and (d) the name and phone number of the contracting officer or negotiator.

2. A separate [Findings, Determination and Authorization for Advance Payments] will be prepared for each request for authorization of advance payments. Request to increase the amount of advance payments involving modifications, supplemental agreements or extensions to an existing contract on which advance payments previously have been authorized will clearly indicate the amount of the increase required, the previous amount authorized, and the new total.

3. Insert the appropriate words and phrases in the form set forth above.

4. Modifications to adapt to special facts and circumstances are permitted provided that they do not conflict with the statutory requirements set forth in 10 U.S.C. 2307 or other cited statutory authority.

5. 10 U.S.C. 2307 will normally be the statutory authority cited for authorizing advance payments. When appropriate, advance payments are also authorized pursuant to 42 U.S.C. 2473(c)(5) and pursuant to Public Law 85-804 as implemented by Executive Order 10789.

4. Supplement 3 is revised as follows:

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Supplement No. 3—Property Administration

Subpart 1—Introduction

S3.100 Scope of Supplement.

This Supplement is issued for the guidance of personnel engaged in the administration of contract provisions relating to Government property in the possession of contractors. It prescribes uniform procedures and techniques to (i) meet management data requirements of the Government, and (ii) to assure performance of property control to protect the interests of the Government at a minimum cost through a uniform property administration program.

S3.101 General.

This Supplement sets forth instructions to assure uniformity in the administration of contract provisions relating to Government property in the possession of contractors and is applicable to all NASA personnel having responsibilities in this area. It prescribes procedures and techniques to (i) meet management data requirements of the Government, and (ii) to assure performance of property control to protect the interests of the Government at a minimum cost through a uniform NASA property administration program. The scope of the program shall be determined by the amount of Government property, the complexity of the contractor's property control system, and other conditions revealed by review of the contract and correlation of its provisions with the property control system.

S3.102 Definitions.

As used in this Supplement, the following terms have the meanings stated below:

S3.102-1 Category means a major segment of a contractor's property control system (e.g., acquisition, receiving, records, storage and movement, consumption, utilization, maintenance, physical inventories, subcontractor control, and disposition).

S3.102-2 Characteristic means a segment of a functional area subject to analysis or review. Characteristics are classified as Class I, which is subject to

statistical sampling, and Class II, which is subject to judgment or observation techniques.

S3.102-3 Lot means an aggregation of documents, records, articles, or actions selected for review due to common characteristics. For evaluation of the lot all characteristics for which a lot is tested must be common to all units within the lot.

S3.102-4 Supporting Responsibility relates to the assignment of a subcontract, or a portion of a prime contract being performed at a secondary location of the prime contractor, to a property administrator other than the individual assigned to the prime location.

S3.102-5 Property Control System identifies a contractor's internal management program encompassing the protection, preservation, accounting for and control of property from its acquisition through disposition.

S3.103 Responsibilities.

(a) The property administrator shall evaluate the contractor's management and control of Government property and ascertain whether the contractor is effectively complying with the contract and NPR provisions. These responsibilities include:

(i) developing and applying a system survey program for each contractor under his cognizance;

(ii) evaluating the contractor's property control system and approving or recommending disapproval of the system;

(iii) advising the administrative contracting officer of the contractor's noncompliance with approved procedures and other significant problem areas which he cannot resolve whether this information is obtained through a formal system survey or through other means and recommending appropriate action, which may include disapproval;

(iv) resolution of property administration matters as necessary with the contractor's management, personnel from Government procurement and logistics activities, and representatives of the NASA Management Audit Office, Defense Contract Audit Agency (DCAA) and of other Government agencies; and

(v) recognition of the functions of other Government personnel having cognizance of Government property, and obtaining their assistance when required. (These functions include, but are not limited to, contract audit, quality assurance, engineering, pricing, and other technical areas. Assistance and advice on matters involving analyses of

the contractor's books and accounting records and on any other audit matters deemed appropriate shall be obtained from the cognizant auditor.)

(b) Property administrators' (or other Government industrial property personnel) participation in pre-award surveys/post-award orientations is required whenever significant amounts of government property will be involved in order to reveal and resolve property management problems early in the procurement cycle.

Subpart 2—Initiation of Property Administration

S3.201 Control of Assignments.

(a) The Procurement Officer or his designee shall establish and maintain a Contract Assignment Control Register for each contractor, showing:

- (i) the contractor's name and address;
- (ii) contract number;
- (iii) type of contract;

(iv) date of assignment of the property administrator and his name; and

(v) date of completion or rescission of the contract, or transfer of the property administrator.

(b) Property reported to have been received at a contractor's plant without contractual coverage shall be carried in a suspense file, pending investigation and resolution by the property.

843.202 Analysis of Contract and Establishment of Contract Property Control Data Files.

(a) The property administrator shall analyze each contract providing for Government property to estimate the property administration effort which must be applied. The analysis shall be sufficient to establish the management controls necessary for assuring compliance with contract requirements and the development of a suitable system survey program.

(b) A Property Summary Record shall be established by the property administrator containing the following information

(i) contractor's name and address, and the contract number;

(ii) type of contract, modifications (including change orders), and special or nonstandard clauses pertaining to Government property;

(iii) date of final review and date of execution and transmittal of the DD Form 1593;

(iv) supporting property administration assignments; and

(v) name(s) of the property administrator(s) and date(s) of tenure.

(c) The property administrator shall establish a Contract Property Control

Data file which shall include as a minimum:

- (i) Property Summary Data Record;
- (ii) copy of the contract or extract of provisions thereof pertinent to property administration, and comparable data regarding any subcontracts involving Government property;
- (iii) record of initial review, evaluation, and approval of the contractor's property control system; and, if applicable, record of withdrawal of approval and basis therefor, reinstatement of approval, and deviations granted;
- (iv) record of visits, property system surveys performed including appropriate work papers, deficiencies disclosed and corrective actions taken;
- (v) contractor's receipts for Government property, when required;
- (vi) record of final review and execution of property administrator's statement of closure of the contract property account;
- (vii) other pertinent correspondence and documents, including as applicable, inventory adjustments, investigations, recommendations, and determinations;
- (viii) records concerning supporting property administration delegations; assist actions involving special reviews; and other applicable reviews at subcontractor's plants;
- (ix) records of inspection and audits performed by other activities; and
- (x) reports relating to Government property prepared by the contractor pursuant to the contracts. When more than one contract is involved at the same contractor's location, records relating to more than one contract shall be transferred to a contractor's General File and the Property Summary Data Record shall be so annotated.

Subpart 3—Evaluation and Approval of Contractor's Property Control System

S3.301 General.

Normally, the initial contact by the Contract Administration Office with a contractor is through a post-award orientation conference or post-award letter. When a conference is held, the property administrator shall assure suitable discussion of property administration requirements, and responsibilities. When a conference is not held, the property administrator, upon assignment of a contract, shall forward a letter to the contractor:

- (i) inviting attention to the contractor's responsibilities regarding Government property under the contract, including any specialized controls, and the extent of his liability for loss, damage or destruction of

Government property during any period in which the contractor's property control system does not have the written approval of the property administrator;

- (ii) requesting the name of the contractor's representatives to contact for review and discussion of the proposed property control system; and
- (iii) requesting that policies, instructions and procedures necessary to fully implement the property control system be available for evaluation.

S3.302 Initial Evaluation of the Contractor's Property Control system.

S3.302-1 Review of Procedures. (a) Following assignment of an initial contract, the property administrator shall review the contractor's property control system to determine:

- (i) inadequate or questionable areas in the proposed procedures for compliance with NPR Appendix B or C, and other contract requirements;
- (ii) essential controls not provided by the proposed procedures;
- (iii) areas in the proposed procedures requiring physical observation or verification; and
- (iv) subcontractors, or secondary locations of prime contract performance, and the need for physical observation or verification of property controls at those locations.

(b) It is normal industry practice to provide for the control of property by means of written procedures that communicate company standards, techniques, and instructions to operational personnel for uniform application. However, a contractor with few employees may not have a need for written procedures for effective management of Government property. In such cases, the property administrator shall evaluate the adequacy of the contractor's system on the basis of the contractor's explanation of his controls and observation of the application thereof, and he shall prepare a brief description of the applicable procedures for inclusion in the Contract Property Control Data File. In the latter instance, the contractor's signature shall be obtained signifying his concurrence with the property administrator's written description.

(c) The contractor's plant may be visited to determine that his operation of the system provides adequate controls for the Government property to be furnished or acquired.

(d) The choice of the methods to be used to obtain the information necessary for approval of the contractor's property control system is a matter of judgment by the property administrator. Test examinations and

verification in specific categories may be necessary to assure the reliability of the final evaluation and conclusions as to the acceptability of controls for all categories and the system as a whole.

(e) The property administrator shall examine the contractor's procedures to be used to determine the extent to which they meet the criteria for property control required by Appendix B or C and other contract requirements, as appropriate. He shall make necessary tests of the contractor's system, and as each portion is analyzed, the acceptability of the procedures shall be appropriately noted or commented upon as the basis for preparation of the record of system evaluation (see S3.302-4).

(f) When the contractor's property control system has previously been approved and a new contract requires the expansion of existing or the establishment of additional controls, the review should normally be limited to the new requirements. If the system is adequate, the property administrator shall record this fact on the Property Summary Data Record for the contract. Notification to the contractor is not required. However, if the property administrator determines that the contractor's property control system does not adequately meet the new contract requirements, the Property Summary Data Record for the contract involved shall be appropriately annotated and the contractor shall be notified in writing of the required changes.

(g) In the review of the contractor's property control system, the property administrator shall consider the provisions of B.311 or C.311 and shall assure that the contractor's system provides for maintenance of financial data and the furnishing of required reports within the time limits specified.

S3.302-2 Exit Interview with the Contractor. Upon completion of the property administrator's review, he shall hold an exit interview with the contractor to discuss any category in which the adequacy of controls, or procedures was found to be defective and will advise where corrective action is required before an approval of the system can be granted. When the contractor is willing to correct a deficiency or questionable practice immediately, the documentation supporting the property administrator's findings and conclusions shall include a statement to this effect. The contracting officer responsible for the predominant value of NASA property at the facility shall also attend the exit interview with the contractor when major deficiencies

exist in the property control system, past deficiencies remain uncorrected, or the dollar value of the personal property involved is in excess of \$1,000,000.

S3.302-3 Record of System Evaluation. Upon completing his evaluation of the contractor's system, the property administrator shall prepare a written summary of his findings to support approval of the system or requirement for corrective action prior to such approval. A report of visit or other documentation may be utilized if the participating contractor and Government personnel are listed, actions taken are adequately described, and the property administrator's determination is clearly stated.

S3.302-4 Notification of Deficiencies. The property administrator shall prepare a letter to the contractor for signature by the contracting officer who attended the exit interview, listing the deficiencies found during the evaluation of his property control system and noting any agreement by the contractor to correct deficiencies. The contractor shall be requested to respond within 30 days and to provide the precise action to be taken and the time required to correct each deficiency.

S3.302-5 Resolution of Differences. When the contractor's response to the contracting officer's letter is unsatisfactory, the contracting officer, along with the property administrator, shall meet with the contractor in an effort to arrive at a corrective program that is mutually satisfactory. The contractor will be requested to confirm in writing any new commitments arising out of these discussions. In the event the contractor fails to correct deficiencies in his property control system within a reasonable period, the contracting officer will refer the matter by memorandum to appropriate levels of management within the NASA installation and Headquarters staff offices, depending on the criticality of the problem involved. The memorandum shall include:

- (i) a specific, concise, and documented statement of the problem;
- (ii) a statement of the contractor's position; and (iii) the recommended action.

S3.302-6 Letter of Approval. (a) The approval of a contractor's property control system by the property administrator shall be conditioned upon a joint determination by the property administrator and the contracting officer who attended the exit interview, that no deficiencies exist in the property control system or that where minor deficiencies exist the contractor has agreed to take satisfactory corrective action.

(b) When the contractor's property control system is acceptable, the property administrator shall advise the contractor in writing. However, when the approval has been preceded by an exchange of correspondence between the contracting officer and the contractor (S3.302-5 and S3.302-6), the property administrator will make reference to the correspondence in his approval and advise the contractor that the corrective action taken or planned is acceptable. A copy of the letter of approval shall be sent to the contracting officer who attended the exit interview.

(c) When the contract involves Government property at subcontractor plants or prime contractor secondary locations, or both, and the controls for the property at such locations have been determined to be adequate, the approval shall be expanded to include the procedures governing Government property at such locations.

Subpart 4—Property Administration During Contractor Performance

S3.401 Property Administration Plan.

(a) A property administration plan shall be developed for each contractor's plan covering the property control system utilized in connection with Government contracts. The plan shall provide for surveys and shall be augmented to cover responsibilities imposed by new contracts, changing conditions, or marginal performance. In the event approval of the contractor's system is unduly delayed at inception of the contract due to failure of the contractor to provide an acceptable system, or is withdrawn due to unsatisfactory conditions disclosed after approval, the property administration plan shall be expanded to the degree necessary to reasonably assure that loss, damage or destruction of Government property is disclosed in a timely manner. Further, special attention shall be given to reasonably assuring that any loss, damage or destruction occurring during a period when a contractor's system is not approved is identified prior to approval or reapproval.

(b) The property administrator must exercise judgment in developing his plan and in determining what categories (see Annex I) of the contractor's property control system warrant examination. Limited dollar amounts and activity, types of property, complexity of the contractor's system, risk to the Government, and previous experience regarding the adequacy of contractor controls are factors determining the extent and scope of the system survey

plan. Guidance is contained in S3.402-1(b) covering criteria for surveillance of a contractor's property control system.

S3.402 System Survey.

S3.402-1 Surveillance. A complete system survey shall be conducted at least once each calendar year to obtain thorough knowledge of the contractor's system of property control and his efficiency. Completion of a system survey, involving complex property control systems, may require detailed tests and evaluations over an extended period of time. If deficiencies in physical control or records are disclosed, corrective action must be secured, and the effectiveness of such correction evaluated. In such instances, test and evaluation of any one category shall be completed as expeditiously as possible, and the working papers and analysis retained for consideration and incorporation into the summary and survey case file.

S3.402-2 Scheduling and Planning.

(a) At the beginning of each calendar year, the property administrator shall prepare a schedule showing the names of the contractors and the projected dates on which each system survey shall be initiated and completed.

(b) Prior to initiation of any system survey, the property administrator shall establish a survey plan which shall provide, as a minimum:

- (i) identification and listing of the categories, functional areas and characteristics to be evaluated (see Annex I);
- (ii) evaluation of approved property control procedures applicable to the categories to be examined, and noting of any portions thereof that should be reviewed with operating personnel for possible updating. (If any functional area of the property control system is not covered by procedures, no attempt should be made to survey that area at that time, but that portion of the system should be recorded as unsatisfactory and action taken to correct the condition.); and
- (iii) preparation of work papers necessary to document the file.

(c) Preparation of work papers necessary to document the file.

S3.402-3 Testing the System. (a) *General.* In conducting tests of the contractor's property control system, the following factors should be considered to assure adequate coverage of requirements peculiar to particular classes of property and functional areas.

(b) *Materials.* Materials should be considered as bulk quantities, as contrasted to individual items. Examinations should be directed to:

- (i) tracing inbound transportation units from (A) bills of lading or other

transportation documents to receiving reports, in order to determine that the receiving reports are accurately prepared and that proper action is taken on shortages, damages, or other discrepancies, and (B) stock records to assure that the receipts were accurately posted (see B.307 or C.307 as applicable);

(ii) abstracting nomenclature and balance data from stock records and making physical counts to determine accuracy of the stock records;

(iii) tracing posting of credits to (A) stock records (by date, reference number, and quantity) and (B) issue documents, in order to assure accuracy of the postings and validity of the documents (signature by authorized individual and indication of reasons for issue or point of delivery, or both, to indicate proper contract use); and

(iv) determining to the extent practicable at the point of receipt and use, whether undue quantities are issued, charged to cost, and held on plant floor rather than being held under better security in stores.

(c) *Custodial Items.* Issues shall be traced from store's records to tool cribs, office stock rooms, uniform rooms, and the like, to determine that they are taken into account as part of a sound control system. It should be determined that issues to contractor personnel are covered by tool chits, uniform slips, or other mechanisms designed to assure return, or ability to locate items which are to be returned, assuring that new items are not issued without return of worn-out items or that suitable explanation is provided.

(d) *End Items.* General Techniques for survey of materials are applicable to end items placed in storage pending shipment. Examination shall include tracing from Government acceptance records of the contractor's claims for reimbursement to physical quantities on hand and quantities on validated shipping documents.

(e) *Plant Equipment Costing Less Than \$1,000.* In the event summary record accounting is utilized for this class of property, as authorized by B.306(d), examination using the "bulk quantities" approach in (b) above is applicable but shall also cover:

(i) identification as required by B.402 and B.404, respectively; for other than minor plant equipment, the identification number shall be physically verified; and

(ii) Location as prescribed in B.306(d)(vii), creating need for physical verification of presence or absence of the property in the location shown by the location record.

(f) *Plant Equipment Costing \$1,000 or More.* Testing on an item-by-item basis is usually required to achieve desired results. Determinations demanding special attention include whether:

(i) Government screening and approval requirements are observed;

(ii) classification of property is accurate, both at time of requisition or purchase and at time of receipt through the use of the DSAH-4215 series of IPE Handbooks and Cataloging Handbooks H2-1, H2-2, and H2-3;

(iii) an item is actually applied to the requirement for which acquired, and, if deviation is made, that necessary notice and Government approval (when applicable) have been obtained;

(iv) receiving documentation is complete and accurate, indicating assignment of identification number, treatment of accessory and auxiliary equipment as required by B.306(b), and the DD Form 1342 (DoD Property Record) is prepared and processed when required by B.306-1;

(v) from physical inspection of the property, the equipment records are accurate, including location and classification as to use (examination shall be conducted from property to records and from records to property); and

(vi) disposition action is initiated as required when a piece of equipment is no longer required at the plant (examination shall include adequacy of procedure for the preparation and submission of DD form 1342 (Property Record) where specified, propriety of authority for shipment, and proper accounting for accessory and auxiliary equipment).

(g) *Special Test Equipment.* The examination of special test equipment shall be essentially the same as for plant equipment costing \$1,000 or more except for recognizing the greater complexity of assemblies classified as single items and the possible need for assistance and advice of engineering personnel. Examinations shall include tracing of individual components into the assembly to assure a clear trail, particularly with respect to general purpose test equipment components, and propriety of disposition of components upon disassembly.

(h) *Special Tooling.* Testing for plant equipment, as in (e) and (f) above, may be used as a guide to establishment of the method and sampling to be utilized for special tooling. When option as to title to special tooling is involved under terms of the contract (see 13.704), examination need only be sufficient to comply with the request of the contracting officer.

(i) *Real Property.* After initial turnover of real property to a contractor, tests and examinations normally shall be directed to work orders of the contractor and documentation from Government sources as to additions and other capital improvements or disposals or capital decreases.

(j) *Scrap and Salvage.* Tests relating to scrap and salvage may be similar to those for materials as outlined in (b) above. However, special attention should be given to:

(i) tracing from credit entries on materials records (showing turn-in to scrap) to corresponding debits to scrap records;

(ii) determining from analysis of consumption of materials over a given period of time that the quantities indicated as being scrapped or spoiled are matched with comparable receipts in the scrap and salvage accounts; and

(iii) determining that when conversions of units of property to pounds of scrap or from estimated to scale weights or to other units of measure are made, the formula for the conversion is shown on the document affected, or is readily available in the approved contractor procedure.

(k) *Analyzing Consumption of Materials.* It shall be determined by both physical examination and analysis of records that quantities consumed are for proper purposes and in reasonable amounts. In analyzing consumption of component parts or other productive materials, unit allowance (equalling amount required per end-item plus normal spoilage) for each line item of materials may be available in the contract, bill of materials, blueprints, or shop drawing of items fabricated, or in cost computations supporting the end-item price. If such unit allowance information is not available, technical personnel may be consulted as to whether quantities consumed are within accepted standards of the industry.

(l) *Testing of Physical Inventories.* The property administrator has the option of conducting his tests of the contractor's physical inventories either during the performance of the inventory or subsequent to its completion. In either event, tests shall evidence physical counts of selected items without knowledge of record balances, verification of the entries on count slips, comparisons with records, preparation of documents necessary to any adjustments required, approval of adjustments, and the referral of lists of adjustments to the property administrator pursuant to B.503.

(m) *Examination of Maintenance Program.* The actions scheduled shall be

traced to determine that they are or have been performed and that the actions stated by the contractor's procedures have been included. Also, the records of the maintenance or repair shop or the contractor's purchase orders shall be examined as to causes of breakdowns of equipment to determine whether they were the result of inadequate preventive or routine maintenance.

S3.402-4 Performing the Survey. (a) In performing the survey, the property administrator shall follow the procedures in (b) through (e) below.

(b) The lot size shall be estimated. Insofar as possible, lots selected shall consist of current operations of the contractor, *i.e.*:

(i) those transactions (excepting disposition transactions) which have occurred during the last 90 days immediately preceding the date of sampling and the documents recording those actions. (If no transactions have taken place during the last 90 days, samples will be taken from transactions going back to the last system survey.) The lot should encompass the maximum number of units possible within a functional area. For example, transactions pertaining to special tooling, special test equipment, and plant equipment may be combined into a single lot and sampled for their common characteristics. Characteristics that are not common to units sampled shall be extracted for evaluation as a part of a separate lot. Sample sizes shall be selected from the attached table (Annex II);

(ii) articles in the possession or control of the contractor at that time; and

(iii) disposition actions occurring since the last occurring survey was made.

The lot should encompass the maximum number of units possible within a functional area. For example, transactions pertaining to special tooling, special test equipment, and plant equipment may be combined into a single lot and sampled for their common characteristics. Characteristics that are not common to units sampled shall be extracted for evaluation as a part of a separate lot. Sample sizes shall be selected from the attached (Annex II).

(c) After the examinations are performed and the findings recorded, the findings shall be analyzed and the conclusions and recommendations recorded. Decisions as to satisfactory or unsatisfactory conditions shall be made for each lot at the functional area level.

(d) When any category is found to be unsatisfactory during a survey, the property administrator shall determine the effects upon the complete system. All other applicable categories shall be subjected to survey actions in order to ascertain the existence of other defective areas and the full scope of defectiveness in the overall system.

(e) Problems disclosed during the survey shall be discussed with the contractor's personnel as they are noted, or during the exit interviews. Every effort shall be made to resolve differences on an informal basis. Resolved problem areas shall be reported in the record of system evaluation with the notation that they were corrected.

S3.402-5 Summary. A formal record shall be prepared by the property administrator at the conclusion of each system survey in the format set forth below:

(i) *Introduction:* contractor's name and address, period of survey, and types of property involved;

(ii) *Method used:* explain method of performing the survey;

(iii) *Conclusions:* state conclusions reached (In event of finding of unsatisfactory categories, functional areas or characteristics, identify the defects found.); and

(iv) *Action required:* state actions, if any, necessary to correct unsatisfactory conditions. A summary of the system survey shall be forwarded to the contractor. The contractor shall be advised of any unsatisfactory conditions and requested to correct them within the time limitations agreed to during the exit interview. The contractor shall also be advised by letter that failure to correct the unsatisfactory conditions may result in disapproval of his property control system. A copy of the summary shall also be retained in a survey case file, and whenever unsatisfactory conditions have been disclosed, a copy of the summary shall be provided to the administrative contracting officer. When conditions dictate, *i.e.*, indication of significant noncompliance with contract requirements or other continued failures jeopardizing the interest of the Government, the purchasing office and the pre-award survey monitor shall also be advised in writing.

S3.402-6 Correction of Unsatisfactory Conditions. In the case of disclosure of unsatisfactory conditions, the property administrator shall maintain follow-up to ascertain that corrective action is taken. In the event the contractor fails to take corrective action or to respond to the letter forwarded as prescribed in S3.402-

5 above, the property administrator shall proceed in accordance with S3.302-6 and 13.403-1.

S3.402-7A Survey Case File. A case file shall be established for each system survey performed, containing the survey plan, work papers, and the summary. The case file shall be maintained in the Contract Property Control Data File or the Contractor's General File.

S3.402-8 Statistical Sampling. (a) *General.* Statistical sampling is a tool to support the property administrator's judgment; it does not supplant his judgment. Statistical sampling is accomplished by examination of characteristics, as to defects, in order to evaluate and determine the performance level for each functional area and category within each property control system. The lot should encompass the maximum possible number of line items of property, records and documents. Care should be exercised, however, to assure that the items in the lot have common characteristics and that the same control elements of the property control system apply; otherwise, more than one lot will be necessary. Items selected for sampling may be used to examine characteristics of more than one category (*i.e.*, items selected under records may be used to examine characteristics of acquisition, stock control, storage and movement, maintenance, physical inventory, utilization, and consumption).

(b) *Use of Statistical Sampling Plans.* The Government's risk shall not exceed 10% (a 90% confidence level) excepting any slight variations due to changes in lot sizes. Annex II contains sampling plans for use in achieving a confidence level of 90 percent. Annex III is a table of random numbers which may be used. The number of samples examined shall be equal to the sample size given in the table. If the number of defective sample units found is equal to or less than the number in Column S for the lot size involved, the lot shall be considered satisfactory. If the number of defective sample units is equal to or greater than the number in Column U for the lot size involved, it shall be considered unsatisfactory.

(c) *Random Number Table.* The following information is a guide which may be used in drawing a sample with a table of random numbers. Other randomization techniques may be applied *provided* they are defined beforehand in the property administration survey plan and exhibit clear protection against bias. Care must be exercised to assure that the number of items in the lot is not overestimated so as to avoid selection of random

numbers greater than the lot. For example, if the lot is 9,000, only numbers lower than 9,001 shall be selected. Using a random table to draw a random sample requires four steps which are:

(i) *First Step:* A pattern must be established between the numbers in the table and items in the lot to be sampled. It is possible to use the whole random number or any portion thereof. For instance, the number 18,967 may appear in the table. If the lot size is more than 99 but less than 1,000, a three digit number is required and either the first three digits (189) or the last three (967) may be used. If the lot size is more than 999 but less than 10,000, a four digit number is required and either the first four digits (1,896) or the last four (8,967) may be used. Once this pattern has been established, it must be consistently used throughout the sample selection process.

(ii) *Second Step:* A procedure for selecting the numbers from the table must be selected. Any systematic path for going through the table, if the path is clear and does not cross over or re-use any number previously used, is acceptable. It is possible to proceed across rows, down columns, diagonally, clockwise, counterclockwise, or in some combinations of these methods; however, it is usually desirable to choose a simple pattern and go down columns or across rows.

(iii) *Third Step:* The starting point in the table shall be selected at random. The most used method is to open the table of random numbers to any page and to use the number upon which the pencil point falls as the starting point.

(iv) *Fourth Step:* Beginning at the starting point and proceeding through the table as planned in the Second Step, record the numbers found in succession in the table, using all or part of the number as planned in the First Step. Duplicate numbers shall be skipped. The selection process shall be continued until the required sample size is drawn.

Numbers taken from the random table shall be arranged and recorded in numerical order. If the units of the lot to be examined are already consecutively numbered, the units having the numbers corresponding to those taken from the random table become the sample units. Otherwise, the sample units shall be found by counting to the numbers taken from the random table.

S3.403 Additional Administrative Responsibilities.

The initial review, evaluation, and subsequent visits should provide the property administrator with a reasonable indication of future workload with each contractor. Loss,

damage, destruction, or excessive consumption of Government property (see S3.602) are areas which demand significant and prompt attention by the property administrator. This is particularly important in the case of a contractor whose system is in an unapproved status.

S3.404 Declaration of Excess Property.

A problem area often disclosed by systems surveys is the failure of a contractor to comply with B.101(d) or C.101(e) in the reporting of Government property which is not needed (is excess) in performance of the contract. The property administrator shall fully document and report any such finding to the administrative contracting officer. After a report of excess received from a contractor has been referred to the plant clearance officer for screening and ultimate disposition, the property administrator shall maintain follow-up to assure prompt disposition action. For centrally reportable plant equipment, the property administrator shall:

(i) assure the preparation and submission of individual reports (DD Form 1342) required of the contractor pursuant to B.306-1 and C.306-1;

(ii) accomplish such verifications as necessary to permit certifications required by the forms; and

(iii) transmit the report to the NASA contracting officer, Attention: Industrial Property Specialist.

S3.405 Identification of Industrial Plant Equipment.

Contractors acquiring or possessing Government-owned industrial plant equipment (IPE) shall provide prenumbered identification media (metal plates and decals) with the designation "NASA Property" and serial number(s) for identification of IPE pursuant to B.404 and C.404. The property administrator shall, within the framework of the contract, ensure that contractors affix the permanent identification number to each item of IPE at time of receipt. The property administrator shall make arrangements with the contractors to reidentify IPE already in their possession with the permanent number at the time of the regularly scheduled inventory or at some time as agreed to between the property administrator and the contractors involved.

Subpart 5—Closure of Contracts

S3.501 Completion or Termination.

Upon completion or termination of a contract, the property administrator shall:

(i) monitor the actions of the contractor in returning excess Government property not referred to the plant clearance officer; and

(ii) advise the cognizant plant clearance officer as to the existence at a contractor's plant of residual property requiring disposal.

S3.502 Final Review and Closing of Contracts.

(a) When informed that disposition of Government property under a contract has been completed, the property administrator shall perform a final review which shall include a signed determination that:

(i) disposition of Government property has been properly accomplished and documented;

(ii) adjustment documents, including request of the contractor for relief from responsibility, have been processed to completion;

(iii) proceeds from disposals or other property transactions, including adjustments, have been properly credited to the contract or paid to the Government as directed by the contracting officer;

(iv) all questions as to title to property fabricated or acquired under the contract have been resolved and appropriately documented; and

(v) the Contract Property Control Record File is complete and ready for retirement.

(b) When final review pursuant to (a) above reveals that such action is proper, the property administrator shall accomplish and sign a DD Form 1593, *Contract Administration Completion Record*.

(c) The executed DD Form 1593 shall be forwarded to the contracting officer and the Property Summary Data Record shall be so annotated, and shall be retired with the contract file.

Subpart 6—Special Subjects

S3.601 Government Property at Alternate Locations of the Prime Contractor and Subcontractor Plants.

S3.601-1 General. (a) Government property provided to a prime contractor may be located at other plants of the prime contractor or at subcontractor locations. The prime contractor is accountable and responsible to the Government for such property and shall assure that the records and controls of such property comply with the provisions of NPR Appendix B or C, appropriate.

(b) A Government property administrator cognizant of the location where the property is situated shall

normally be designated to perform required surveys of the property control system and exercise surveillance over such property as a supporting responsibility.

S3.601-2 Request for Supporting Property Administration. (a) When the property administrator determines that supporting property administration is required, he shall direct a written request to the cognizant contract administration office asking that a property administrator be assigned. The request for supporting property administration shall include:

- (i) the name and address of the prime contractor;
- (ii) the prime contract number;
- (iii) the name and address of the alternate location of the prime contractor, or of the subcontractor where the property is to be located;
- (iv) a listing of the property to be furnished, or, if property is to be acquired locally, a statement to this effect; and
- (v) a copy of the subcontract or other document under which the property is to be furnished or acquired.

(b) Concurrent with the action cited in (a) above, the property administrator shall ascertain whether the prime contractor will perform the necessary reviews and surveillance with his own personnel, or elects to rely upon the system approval and continuing surveillance by a supporting property administrator, of the property control system at the alternate location or subcontractor plant. If the prime contractor indicates that he will accept the findings of a supporting property administrator, a statement in writing to that effect shall be obtained. If the prime contractor does not so elect, he shall be required to perform the requisite reviews and surveillance and document his actions and findings.

S3.601-3 Request for Occasional Assistance. (a) If a single item or limited quantities of property will be so located, the property administrator may determine that supporting property administration is unnecessary, *provided*:

- (i) that the prime contractor's records shall adequately reflect the location and use being made of such property;
- (ii) the nature of the property is such that the possibility of its use for unauthorized purposes is unlikely; and
- (iii) the nature of the property is such that a program of preventive maintenance is not required.

(b) When supporting property administration will not be requested, the services of a property administrator in the contract administration office cognizant of the site where the property

is located may be requested on an occasional basis to perform special reviews or such other support as may be necessary. Repeated requests for such assistance indicate a requirement for requesting supporting property administration.

S3.602 Loss, Damage, or Destruction of Government Property.

S3.602-1 General. Normally, contract provisions provide for assumption of risk of loss, damage, or destruction of Government property as described in (a) through (f) below:

(a) Advertised and certain negotiated fixed-price contracts provide that the contractor assumes the risk for all Government property provided thereunder (see 13.702(a)).

(b) Other negotiated fixed-price contracts provide that the contractor assumes the risk for all Government property provided thereunder, with the exception of loss, damage, or destruction due to causes listed under the "excepted perils" of the clause set forth in 13.702(b) and in connection with which there was not willful misconduct or lack of good faith of any of the contractor's managerial personnel as defined therein.

(c) Cost-reimbursement supplies and services contracts (see 13.703) and cost-reimbursement and fixed-price research and development contracts with nonprofit institutions (see 13.707 and 13.706, respectively) provide that the Government assumes the risk for all Government property provided thereunder when there is no willful misconduct or lack of good faith or any of the contractor's managerial personnel as defined in the terms of the contract.

(d) There are certain events for which the Government does not assume the risk of loss, damage, or destruction of Government property, such as risks which the contract expressly requires the contractor to insure against. Therefore, contract clauses should be thoroughly reviewed and understood before a conclusion is reached by the property administrator or a determination made by the contracting officer. Advice shall be obtained from appropriate legal counsel on questions of legal meaning or intent.

(e) "Willful misconduct" may involve any intentional or deliberate act or failure to act which causes, or results in, the loss, damage, or destruction of Government property.

(f) "Lack of good faith" may involve gross neglect or disregard of the terms of the contract or of appropriate directions of the contracting officer or his authorized representatives. Examples of

lack of good faith may be demonstrated by the failure of the contractor's managerial personnel to establish and maintain proper training and supervision of employees and proper application of controls in compliance with instructions issued authorized Government personnel.

(g) In the event any portion of the contractor's system is found to be unsatisfactory, increased surveillance of the deficient portion will be instituted to prevent, to the extent possible, any loss, damage or destruction of Government property. Further, special attention shall be given to reasonably assuring that any loss, damage or destruction occurring during a period when a contractor's system is not approved is identified prior to approval or reinstatement of approval.

S3.602-2 Loss, Damage, or Destruction of Government Property While in Contractor's Possession or Control. (a) The property administrator shall require the contractor to report to him all cases of loss, damage, or destruction of Government property in his possession or control (including such property in the possession or control of his subcontractors) as soon as such fact becomes known.

(b) When physical inventories, consumption analyses, or other actions disclose (i) consumption of Government property which is considered unreasonable by the property administrator, or (ii) loss, damage, or destruction of Government property which has not been reported by the contractor, the property administrator shall prepare a statement of the items and amount of loss involved. This statement shall be furnished to the contractor for investigation and submission of a written statement to the property administrator relative to the incidents reported.

(c) The contractor's report and statement referenced in (a) and (b) above shall contain factual data as to the circumstances surrounding the loss, damage, destruction, or excessive consumption, including the following:

- (i) the contractor's name and the contract number;
- (ii) description of items lost, damaged, destroyed, or unreasonably consumed;
- (iii) cost of property lost, damaged, destroyed, or unreasonably consumed and cost of repairs in instances of damages (in event actual cost is not known, use reasonable estimate);
- (iv) date, time (if pertinent) and cause or origin of the loss, damage, destruction, or consumption;
- (v) known interests in any commingled property of which the

Government property lost, damaged, destroyed, or unreasonably consumed is (or was) a part;

(vi) insurance, if any, covering the Government property or any part of interest in any commingled property;

(vii) actions taken by the contractor to prevent further loss, damage, destruction, or unreasonable consumption and to prevent repetition of similar incidents; and

(viii) other facts or circumstances relevant to determination of liability and responsibility for repair or replacement.

(d) The property administrator shall investigate the incident to the degree required to reach a valid and supportable conclusion as to (i) liability of the contractor for the loss, damage, destruction, or unreasonable consumption under the terms of the contract, and (ii) the course of action required to conclude the adjustment action. When required, the assistance of the quality assurance representative, the industrial specialist, the insurance officer, legal counsel or other technician will be secured. When the contractor acknowledges liability, the property administrator shall forward a copy of the credit memorandum or other adjusting document to the administrative contracting officer and auditor, if appropriate, to assure proper credit. In the event analysis of contract provisions and circumstances establishes that the loss, damage, destruction, or consumption constitutes risks assumed by the Government, the property administrator shall so advise the contractor in writing, thereby relieving the contractor of responsibility for the property. A copy of the documentation and notification to the contractor shall be retained in the Contract Property Control Data File for the contract.

(e) If the property administrator concludes that the contractor should be liable for the loss, damage, destruction, or unreasonable consumption of Government property, he shall forward the complete file with his conclusions and recommendations to the contracting officer for review and determination. The file shall contain:

(i) a statement of facts as supported by investigation;

(ii) recommendations as to contractor's liability, and the amount thereof;

(iii) recommendations as to action to be taken with regard to third party liability, if appropriate;

(iv) requirements for disposition, repair, or replacement of the damaged property; and

(v) other pertinent comments.

A copy of the determination shall be furnished to the contractor, to the property administrator, and a copy shall be retained in the files of the contracting officer. The property administrator's copy shall be filed in the Contract Property Control Data File for the contract when all pertinent actions, such as compensation to the Government or repair or replacement of the property, have been completed.

S3.603 Financial Reports.

(a) The property administrator is responsible for obtaining appropriate financial reports as prescribed in B.311 and C.311 for all contracts assigned to him. Reports shall be accumulated and reviewed. Contractors are required to submit separate reports on each contract which contain the property reporting clause (7.104-54) except as noted in Appendices B and C, Attachment 3, paragraph 4(c). The reports shall be distributed in accordance with the procedures outlined in paragraph (b) below.

(b) Three copies of each of the contractor's annual property financial reports (NASA Form 1018), shall be reviewed, signed and forwarded by the property administrator to the contracting officer or his designee, as identified in the property reporting clause, within ten days after receipt. The contracting officer, or his designee, will immediately forward one copy of each report to the cognizant financial management office and one copy to the Director of Supply and Equipment Management Division (Code BE-5), NASA Headquarters, Washington, D.C. 20546.

Subpart 7—Contractor Utilization of Government IPE

S3.701 Utilization Surveys.

(a) Responsibility for assuring that the contractor has effective procedures to evaluate Industrial Plant Equipment (IPE) utilization rests with the property administrator. However, when necessary, the contract administration office shall provide specialists qualified to perform the technical portion of utilization surveys to assist the property administrator in determining the adequacy of the contractor's IPE procedures.

(b) Upon assignment of an initial contract under which Government-owned IPE is to be provided to a contractor, the property administrator shall require the contractor, in accordance with B.603 or C.603, to establish procedures and techniques for controlling the utilization of

Government-owned IPE. The property administrator, with the assistance of technical specialists, if necessary, shall evaluate the procedures established by the contractor for effective utilization of IPE. A record of the evaluation shall be prepared and become a part of the property administration file. If the procedures are determined inadequate, the record shall identify the deficiencies and the corrective actions necessary. In the event the deficiencies are not corrected by the contractor, the property administrator shall promptly refer the matter to the contracting officer.

(c) Follow-up surveys of the contractor's utilization procedures related to Government-owned IPE shall be performed at least annually. At contractor facilities having a substantial quantity of IPE items, the surveys should normally be conducted on a continual basis, reviewing equipment utilization records and physically observing a group of preselected items during each portion of the survey. Such follow-up surveys shall be conducted to the degree determined necessary considering the findings or prior surveys and the contractor's performance history in identifying and declaring equipment excess to authorized requirements. The contractor shall be required to support the retention of all Government-owned IPE by data keyed to specific Government programs. Maximum use will be made of contractor's machine loading data, order boards, production planning records, and machine time records and other production control methods.

(d) Special surveys shall be conducted when a significant change occurs in the contractor's production schedules. Examples of such changes are terminations, completion of contracts or major adjustments in programs. Special surveys may be limited to a given department, activity, or division of a contractor's operation.

(e) In the absence of adequate justification for retention, Government-owned IPE will be identified and reported in accordance with Part 24. Items which are part of approved inactive package plants, standby lines or active base packages are exempted from utilization surveys. The contract administration office shall ascertain periodically whether existing authorizations for standby, lay-away, and other mobilization requirements are current.

(f) Recommendations for contractor action to correct or improve controls shall be discussed by the property administrator with contractor managerial personnel to reach

agreement as to corrective action. When action by the contractor is recommended, follow-up shall be maintained to assure that appropriate action is taken. In event satisfactory resolution cannot be reached, the matter shall be referred to the NASA contracting officer.

S3.702 Records of Surveys.

The property administrator shall prepare a record incorporating written findings, conclusions and recommendations at the conclusion of each survey. Where appropriate, the record of the property administrator may be limited to a statement expressing concurrence with the reports of other specialists. One copy of each record shall be retained in the property administration file. Additional copies shall be prepared and distributed as findings and conclusions may necessitate.

S3.703 Scope of Survey.

The following matters are among those which shall be considered and used to the extent applicable in preparing for, conducting and recording the results of the IPE Utilization Surveys:

- (i) identification of contracts under which IPE was furnished or acquired;
- (ii) number and dollar value of IPE items in contractor's possession;
- (iii) adequacy of equipment usage records;
- (iv) identification of contracts for which use of IPE is authorized;
- (v) other authorized use (Government or commercial) of the IPE, whether required approvals have been obtained, and whether rental payment is required;
- (vi) planned machine loadings (including performance of a physical review of selected IPE items);
- (vii) whether contractor-owned equipment of like function is loaded prior to loading Government-owned IPE;
- (viii) items reported by quality assurance representatives or other personnel to be in a questionable use and utilization status; and
- (ix) items of plant equipment that may be made available for other use by combining work of two or more machines on a single machine with low utilization rate. In such case the survey record should indicate the date the DD Form 1342, DoD Property Record, was forwarded to the NASA contracting officer.

[FR Doc. 79-17666 Filed 6-6-79; 8:45 am]

BILLING CODE 7510-01-M

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

42 CFR Part 57

Health Professions Student Loans

AGENCY: Public Health Service, HEW.

ACTION: Correction to Final Regulations.

SUMMARY: This is a correction to the Final Regulations issued by the Department of Health, Education, and Welfare on May 18, 1979 (44 FR 29053) (FR Doc 79-15450) for the Health Professions Student Loan Program under sections 740-744 of the Public Health Service Act. The purpose of the correction is to add several clarifying phrases to one section.

EFFECTIVE DATE: This correction is effective on June 7, 1979.

FOR FURTHER INFORMATION CONTACT: Mrs. Alice Swift, Associate Director for Planning, Evaluation, and Legislation, Division of Manpower Training Support, Bureau of Health Manpower, Health Resources Administration, 3700 East-West Highway, Center Building, Room 9-50, Hyattsville, MD. 20782 (telephone 301-436-6383).

SUPPLEMENTARY INFORMATION: The Final Regulations published on May 18 (44 FR 29053) inadvertently omitted three phrases in § 57.206 designed to clarify provisions regarding (1) how to determine "resources" when establishing the eligibility of medical and osteopathic students, and (2) how to select loan applicants. Consequently, § 57.206 as published on May 18 is deleted, and replaced as set forth below.

Dated: June 1, 1979.

Joseph A. Califano, Jr.,
Secretary.

PART 57—GRANTS FOR CONSTRUCTION OF TEACHING FACILITIES, EDUCATIONAL IMPROVEMENTS, SCHOLARSHIPS AND STUDENT LOANS

§ 57.206 Eligibility and selection of health professions student loan applicants.

(a) *Determination of eligibility.* (1) Applicants are eligible for consideration for a health professions student loan if they are:

- (i) Nationals of the United States, permanent residents of the Trust Territory of the Pacific Islands or the Northern Mariana Islands or lawful permanent residents of the United States, Puerto Rico, the Virgin Islands or Guam;

(ii) Enrolled, or accepted for enrollment in the school as full-time students;

(iii) In need of the amount of the loan to pursue a full-time course of study at the school; and

(iv) Of exceptional financial need in the case of students of medicine or osteopathy who will graduate after June 30, 1979. A student will be considered to demonstrate exceptional financial need if the school determines that his or her resources, as described in § 57.206(b)(1), do not exceed the lesser of \$5,000 or one-half of the costs of attendance at the school. Summer earnings, educational loans, veterans (G.I.) benefits and earnings during the school year will not be considered as resources in determining whether an applicant meets the eligibility criteria for exceptional financial need.

(2) The school must provide written notification to each applicant of the provisions of section 741(f) of the Act under which the Secretary may repay all or part of a loan.

(b) *Selection of applicants.* The school will select qualified applicants, including medical and osteopathic applicants, and determine the amount of student loans by considering:

(1) The financial resources available to the student by using one of the national need analysis systems or any other procedure approved by the Commissioner of Education and published under 45 CFR 144.13 in combination with other information which the school has regarding the student's financial status. The school must take into account, regardless of the tax status of the student, the expected contribution from parents, spouse, self or other family members; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis. The school must document the criteria used for determining these costs.

(c) *Selection of medical and osteopathic student applicants.* In addition to the factors in § 57.206(b), the school must select medical and osteopathic students graduating after June 30, 1979, based on the order of greatest need, taking into consideration the other resources available to the student through the school. For purposes of establishing priority for selecting medical and osteopathic student applicants to receive health professions student loans, summer earnings, educational loans, veterans (G.I.) benefits, and earnings during the school

year will be considered as financial resources.

[FR Doc. 79-17678 Filed 6-6-79; 8:45 am]

BILLING CODE 4110-83-M

NATIONAL SCIENCE FOUNDATION

45 CFR Part 670

Conservation of Antarctic Animals and Plants

AGENCY: National Science Foundation.

ACTION: Final regulations.

SUMMARY: The National Science Foundation issues regulations to conserve and protect animals and plants native to Antarctica, pursuant to the Antarctic Conservation Act of 1978, Pub. L. 95-541. These regulations apply to all United States citizens in Antarctica and to everyone importing into or exporting from the United States designated Antarctic animals and certain Antarctic plants or parts of them. The purpose of the regulations is to protect Antarctic ecological systems in accordance with measures which have been internationally established. Civil and criminal penalties for noncompliance are provided in the Act.

These regulations designate native animals and plants and designate areas where activities are restricted. They also establish a system of permits to take native animals, to collect certain plants, to import into or export from the United States Antarctic animals and certain Antarctic plants, to introduce non-indigenous species into Antarctica, and to restrict entry into certain areas of Antarctica.

Measures to restrict the discharge and disposal of pollutants in Antarctica will be the subject of separate regulations at a later date.

EFFECTIVE DATE: July 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Dr. Edward P. Todd, Division of Polar Programs, National Science Foundation, Washington, D.C. 20550. Telephone: 202-632-4024.

SUPPLEMENTARY INFORMATION: The primary purpose of the Antarctic Conservation Act is to implement the "Agreed Measures for the Conservation of Antarctic Fauna and Flora". The Agreed Measures were developed by the Antarctic Treaty Consultative Parties under the Antarctic Treaty of 1959. The Agreed Measures recommend establishment of a permit system for various activities in Antarctica and designation of certain mammals and certain geographic areas as requiring special protection. These regulations meet the requirements of the Agreed

Measures and related measures recommended under the Treaty.

Subpart A of these regulations sets forth their purpose and scope and defines terms used in these regulations. Prohibited acts and exceptions to them are discussed in Subpart B. The procedures for obtaining a permit and the terms and conditions of such permits are set forth in Subpart C. Subpart D designates as native mammals or native birds all mammals and birds found in Antarctica, except whales regulated by the International Whaling Commission. Activities involving these designated mammals or birds require a permit. More restrictive requirements for mammals and birds designated as Specially Protected Species are set forth in Subpart E. Areas of outstanding ecological interest are designated as Specially Protected Areas in Subpart G. No one may enter these areas or collect any native plants in these areas without a permit. Native plants are designated in Subpart F. Animal and plant fossils are not covered by these regulations. Areas of unique scientific value that need protection from interference are designated as Sites of Special Scientific Interest in Subpart H. Entry into certain of these areas without a permit is also prohibited. Conditions under which Antarctic animals and birds and certain Antarctic plants may be imported into or exported from the United States are set forth in Subpart I. Finally, Subpart J sets forth conditions where the introduction into Antarctica of non-indigenous plants and animals is permitted.

The Antarctic Conservation Act does not supersede the requirements of the Marine Mammal Protection Act of 1972, the Endangered Species Act of 1973, or the Migratory Bird Treaty Act. Applications for permits involving native mammals or native birds covered by those acts will be forwarded to the agencies that administer them. If they disapprove the application, no permit will be issued under these regulations. If the permit is approved by the appropriate agency, the Director still must determine whether to issue a permit pursuant to these regulations. Civil and criminal penalties may be imposed not only under the other acts but also under the Antarctic Conservation Act.

On March 6, 1979, proposed regulations to implement the Act were published. Of the four comments received, two noted that these regulations apply to many animals which are already protected by other legislation. The Act makes clear that Congress was aware of this duplication.

The Act, seeking to reduce the possible burden on the public, requires the National Science Foundation to forward any application it receives to the appropriate agency when that application involves animals protected under other legislation. This procedure is set forth in § 670.11(f) of this part.

Of the other two letters, only one raised substantive problems. This letter questions whether a carrier moving Antarctic plants and animals in contravention of the Act is "transporting" these products. Transportation within the meaning of the Act applies to the individual or individuals who, knowing that such transportation has not been authorized, nonetheless place the Antarctic animals or plants in the transportation system. A carrier having no knowledge that such transportation is unauthorized would not commit a violation of the Act.

Although not expressly addressed in the public comments, there is a concern that the prohibition on transporting Antarctic animals and certain Antarctic plants without a U.S. permit could interfere with international cooperation. For example, U.S. aircraft or vessels frequently transport specimens from Antarctica to foreign countries—specimens which have been taken or collected pursuant to a permit issued by the foreign government. Similar problems may exist when the U.S. transports non-indigenous plants and animals to Antarctica for a foreign government. A new § 670.8 has been added to this part which would create an exception for such transportation or introduction. The exception would only apply to transportation or introduction by a U.S. Government agency on behalf of a foreign national who holds a permit from a foreign government. This exception would not apply to importation into the United States.

A new Part 670 is added Title 45 CFR, Chapter VI to read as follows:

PART 670—CONSERVATION OF ANTARCTIC ANIMALS AND PLANTS

Subpart A—Introduction

Sec.

670.1 Purpose of regulations.

670.2 Scope.

670.3 Definitions.

Subpart B—Prohibited Acts, Exceptions

670.4 Prohibited Acts.

670.5 Exceptions in extraordinary circumstances.

670.6 Prior possession exception.

670.7 Food exception.

670.8 Foreign Permit Exceptions.

670.6 Prior possession exception.

670.7 Food exception.

670.8 Foreign Permit Exceptions.

Subpart C—Permits

- 670.9 Application for permits.
- 670.10 General issuance criteria.
- 670.11 Permit administration.
- 670.12 Conditions of permits.
- 670.13 Modification, Suspension and Revocation.
- 670.14 [Reserved]

Subpart D—Native Mammals and Native Birds

- 670.15 Specific issuance criteria.
- 670.16 Content of permit applications.
- 670.17 Designation of native mammals.
- 670.18 Designation of native birds.
- 670.19 [Reserved]

Subpart E—Specially Protected Species of Mammals and Birds

- 670.20 Specific issuance criteria.
- 670.21 Content of permit applications.
- 670.22 Designation of specially protected species of mammals and birds.
- 670.23 [Reserved]

Subpart F—Native Plants

- 670.24 Specific issuance criteria.
- 670.25 Content of permit applications.
- 670.26 Designation of native plants.
- 670.27 [Reserved]

Subpart G—Specially Protected Areas

- 670.28 Specific issuance criteria.
- 670.29 Content of permit applications.
- 670.30 Designation of specially protected areas.
- 670.31 [Reserved]

Subpart H—Sites of Special Scientific Interest

- 670.32 Specific issuance criteria.
- 670.33 Content of permit applications.
- 670.34 Designation of sites of special scientific interest and management plans for those sites.
- 670.35 [Reserved]

Subpart I—Import Into and Export From the United States

- 670.36 Specific issuance criteria for imports.
- 670.37 Specific issuance criteria for exports.
- 670.38 Content of permit applications.
- 670.39 Entry and exit ports.
- 670.40 [Reserved]

Subpart J—Introduction of Non-Indigenous Plants and Animals

- 670.41 Specific issuance criteria.
- 670.42 Content of permit applications.
- 670.43 Conditions of permits.
- 670.44 [Reserved]

Authority: Sec. 11, Pub. L. 81-507, 64 Stat. 149 (42 U.S.C. 1870) as amended; Pub. L. 95-541, 92 Stat. 2048 (16 U.S.C. 2401).

Subpart A—Introduction**§ 670.1 Purpose of regulations.**

The purpose of these regulations is to conserve and protect the native mammals, native birds and native plants of Antarctica and the ecosystem upon which they depend and to implement the

Antarctic Conservation Act of 1978, Pub. L. 95-541.

§ 670.2 Scope.

These regulations apply to:

- (a) Taking any mammal or bird native to Antarctica,
- (b) Collecting any plant native to Antarctica in a specially protected area,
- (c) Entering any specially protected area or site of special scientific interest,
- (d) Importing into or exporting from the United States any mammal or bird native to Antarctica or any plant collected in a specially protected area, and
- (e) Introducing into Antarctica any non-indigenous plant or animal.

§ 670.3 Definitions.

In this part:

"Act" means the Antarctic Conservation Act of 1978, Pub. L. 95-541, 92 Stat. 2048 (16 U.S.C. 2401 et. seq.)

"Agreed Measures" means the Agreed Measures for Conservation of Antarctic Fauna and Flora, as recommended for approval at the Third Antarctic Treaty Consultative Meeting, and as amended in accord with Article IX (1) of the Treaty.

"Antarctica" means the area south of 60 degrees south latitude.

"Collect" means to cut, sever, or move any native plant, or to attempt to engage in any such action.

"Director" means the Director of the National Science Foundation, or an officer or employee of the Foundation designated by the Director.

"Foreign person" means any individual who is a citizen or national of a foreign nation; any corporation, partnership, trust, association or other legal entity existing or organized under the laws of a foreign nation; any department, agency, or other instrumentality of any foreign nation and any office, employee, or agent of any such instrumentality.

"Management plan" means the restrictions applicable to activities in Sites of Special Scientific Interest.

"Native bird" means a member of any species of the class *Aves*, which is indigenous to Antarctica or occurs there through natural agencies of dispersal that is designated in Subpart D of this Part. It includes any part, product, egg, or offspring of or the dead body or parts thereof excluding fossils.

"Native mammal" means a member of any species of the class *Mammalia*, except species regulated by the International Whaling Commission, which is indigenous to Antarctica or occurs there through natural agencies of

dispersal that is designated in Subpart D of this part. It includes any part, product, egg, or offspring of or the dead body or parts excluding fossils.

"Native plant" means any kind of vegetation at any stage of its life cycle indigenous to Antarctica or occurring there through natural agencies of dispersal, including seeds but excluding fossils, that is designated in Subpart F of this part.

"Site of Special Scientific Interest" means an area of unique value for scientific investigation designated in Subpart H of this part as needing protection from interference.

"Specially Protected Area" means an area of outstanding scientific or ecological interest designated in Subpart C of this part.

"Specially Protected Species" means any species of native mammal or native bird that is approved by the United States for special protection under the Agreed Measures and is designated in Subpart E of this part.

"Take" means to remove, harass, molest, harm, pursue, hunt, shoot, wound, kill, trap, capture, restrain, or tag any native mammal or native bird, or to attempt to engage in such conduct.

"Treaty" means the Antarctic Treaty signed in Washington, D.C., on December 1, 1959.

"United States" means the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands, including the Government of the Northern Mariana Islands.

"United States citizen" means any individual who is a citizen or national of the United States; any corporation, partnership, trust, association, or other legal entity existing or organized under the laws of any of the United States; any department, agency, or other instrumentality of the Federal Government or of any State; and any officer, employee, or agent of any such entity or instrumentality.

Subpart B—Prohibited Acts, Exceptions**§ 670.4 Prohibited acts.**

Unless a permit has been issued pursuant to Subpart C of this part or unless one of the exceptions stated in §§ 670.5 through 670.8 is applicable, it is unlawful to commit, attempt to commit, or cause to be committed any of the acts described in paragraphs (a) through (h) of this section.

(a) *Taking any native mammal or native bird.* It is unlawful for any United States citizen to take within Antarctica any native mammal or native bird.

(b) *Collecting native plants.* It is unlawful for any United States citizen to collect a native plant in a specially protected area.

(c) *Entry into designated area.* It is unlawful for any United States citizen to enter any specially protected area or to enter certain sites of special scientific interest.

(d) *Possession and transfer of native mammals, plants or birds.* It is unlawful for any United States citizen wherever located or any foreign person while within the United States to possess, sell, offer for sale, deliver, receive, carry, transport, or ship by any means whatever any native plant collected in a specially protected area, or any native mammal or native bird taken in Antarctica.

(e) *Import into or export from the United States.* It is unlawful for any United States citizen wherever located or any foreign person while within the United States to import into the United States or export from the United States any native mammal or native bird or any native plant collected in a specially protected area.

(f) *Introduction of non-indigenous animals and plants into Antarctica.* It is unlawful for any United States citizen to introduce into Antarctica any animal or plant that is not indigenous to Antarctica as specified in Subpart J of this part, except as provided in § 670.7 and 670.8.

(g) *Violation of regulations.* It is unlawful for any United States citizen wherever located or any foreign person while within the United States to violate the regulations set forth in this Part.

(h) *Violation of permit conditions.* It is unlawful for any permit holder, whether or not a United States citizen, to violate any term or condition of any permit issued under Subpart C of this Part.

§ 670.5 Exceptions in extraordinary circumstances.

(a) *Human life.* No act described in § 670.4 shall be unlawful if committed under emergency circumstances to prevent the loss of human life.

(b) *Aiding or salvaging native mammals or native birds.* The prohibition on taking shall not apply to taking native mammals or native birds if such action is necessary to:

- (1) Aid a sick, injured, or orphaned specimen;
- (2) Dispose of a dead specimen; or
- (3) Salvage a dead specimen which may be useful for scientific study.

(c) *Reporting.* Any actions taken under the exceptions in this section shall be reported promptly to the Director.

§ 670.6 Prior possession exception.

(a) *Exception.* Section 670.4 shall not apply to (1) any native mammal, bird or plant which is held in captivity on or before October 28, 1978, or (2) any offspring of any such mammal, bird, or plant.

(b) *Presumption.* With respect to any prohibited act set forth in § 670.4 which occurs after April 29, 1979, the Act creates a rebuttable presumption that the native mammal, native bird, or native plant involved in such act was not held in captivity on or before October 28, 1978, or was not an offspring referred to in paragraph (a) of this section.

§ 670.7 Food exception.

Paragraph (f) of § 670.4 shall not apply to the introduction of animals and plants into Antarctica for use as food so long as animals and plants used for this purpose are kept under controlled conditions. This exception shall not apply to living non-indigenous species of birds.

§ 670.8 Foreign permit exceptions.

Paragraphs (d) and (f) of § 670.4 shall not apply to transporting, carrying, receiving, or possessing native mammals, native plants, or native birds or to the introduction into Antarctica of non-indigenous animals and plants when conducted by an agency of the U.S. Government on behalf of a foreign national operating under a permit issued by a foreign government to give effect to the Agreed Measures.

Subpart C—Permits

§ 670.9 Applications for permits.

(a) *General content of permit applications.* All applications for a permit shall be dated and signed by the applicant and shall contain the following information:

(1) The name and address of the applicant;

(i) Where the applicant is an individual, the business or institutional affiliation the applicant; and

(ii) Where the applicant is a corporation, firm, partnership, institution, or agency, either private or public, the name and address of its president or principal officer.

(2) The scientific names and the numbers of native plants to be collected in a specially protected area; or the scientific names and the numbers of

native mammals or native birds to be taken;

(3) A description of the native mammals, native birds, or native plants to be taken or collected, including as appropriate the age, size, sex, and condition, e.g., whether pregnant or nursing;

(4) A complete description of the location, time period, and manner of taking or collecting, including the proposed access to the location;

(5) Whether the native mammals, birds, or plants, or parts of them are to be imported into the United States, and if so, their ultimate disposition;

(6) Where the application is for the introduction of non-indigenous plants and animals, the scientific name and the number to be introduced;

(7) Whether agents as referred to in § 670.12 will be used; and

(8) The desired effective date of the permit.

(b) *Content of specific permit applications.* In addition to the general information required for permit applications set forth in this subpart, the applicant must submit additional information relating to the specific action for which the permit is being sought. These additional requirements are set forth in the sections of this part dealing with the subject matter of the permit applications as follows:

Native Mammals and Native Birds—
§ 670.16.

Specially Protected Species—§ 670.21.

Native Plants—§ 670.25.

Specially Protected Areas—§ 670.29.

Sites of Special Scientific Interest—
§ 670.33.

Import into or Export from the U.S.—
§ 670.38.

Introduction on Non-Indigenous Plants and Animals—§ 670.42.

(c) *Certification.* Applications for permits shall include the following certification:

I certify that the information submitted in this application for a permit is complete and accurate to the best of my knowledge and belief. Any false statement will subject me to the criminal penalties of 18 U.S.C. 1001.

(d) *Address to which applications should be sent.* Each application shall be in writing, addressed to:

Permit Office, Division of Polar Programs,
National Science Foundation, Washington,
D.C. 20550.

(e) *Sufficiency of application.* The sufficiency of the application shall be determined by the Director. The Director may waive any requirement for information, or require such additional information as determined to be

relevant to the processing of the application.

(f) *Withdrawal.* An applicant may withdraw the application at any time.

(g) *Publication of permit applications.* The Director shall publish notice in the Federal Register of each application for a permit. The notice shall invite the submission by interested parties, within 30 days after the date of publication of the notice, of written data, comments, or views with respect to the application. Information received by the Director as a part of any application shall be available to the public as a matter of public record.

§ 670.10 General issuance criteria.

Upon receipt of a complete and properly-executed application for a permit and the expiration of the applicable public comment period, the Director will decide whether to issue the permit. In making this decision, the Director will consider, in addition to the specific criteria set forth in the appropriate subparts of this part:

(a) Whether the authorization requested meets the objectives of the Act and the requirements of these regulations;

(b) The judgment of persons having expertise in matters germane to the application; and

(c) Whether the applicant has failed to disclose material information required or has made false statements about any material fact in connection with his application.

§ 670.11 Permit administration.

(a) *Issuance of permits.* The Director may approve an application in whole or in part. Permits shall be issued in writing and be signed by the Director. Each permit may contain such terms and conditions as are consistent with the Act and this part.

(b) *Denial.* The applicant shall be notified in writing of the denial of any permit request or part of a request, and the reason for such denial. If authorized in the notice of denial, the applicant may submit further information, or reasons why the permit should not be denied. Such further submissions shall not be considered a new application.

(c) *Amendment of applications or permits.* An applicant or permit holder desiring to have any term or condition of his application or permit modified must submit full justification and supporting information in conformance with the provisions of this subpart and the subpart governing the activities sought to be carried out under the modified permit. Any application for modification of a permit that involves a material

change beyond the terms originally requested will normally be subject to the same procedures as a new application.

(d) *Notice of issuance or denial.* Within 10 days after the date of the issuance or denial of a permit, the Director shall publish notice of the issuance or denial in the Federal Register.

(e) *Agents of the permit holder.* The Director may authorize the permit holder to designate agents to act on behalf of the permit holder.

(f) *Marine mammals, endangered species and migratory birds.* If the Director receives a permit application involving any native mammal which is a marine mammal as defined by the Marine Mammal Protection Act of 1972 (16 U.S.C. 1362(5)), any species which is an endangered or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), or any native bird which is protected under the Migratory Bird Treaty Act (16 U.S.C. 701 et seq.), the Director shall submit a copy of the application to the Secretary of Commerce or to the Secretary of the Interior, as appropriate. If the appropriate Secretary determines that a permit should not be issued pursuant to any of the cited acts, the Director shall not issue a permit. The Director shall inform the applicant of any denial by the appropriate secretary and no further action will be taken on the application. If, however, the appropriate Secretary issues a permit pursuant to the requirements of the cited acts, the Director still must determine whether the proposed action is consistent with the Act and these regulations.

§ 670.12 Conditions of permits.

(a) *Possession of permits.* Permits issued under these regulations, or copies of them, must be in the possession of persons to whom they are issued and their agents when conducting the authorized action.

(b) *Display of permits.* Any permit issued shall be displayed for inspection upon request to the Director, designated agents of the Director, or any person with enforcement responsibilities.

(c) *Filing of reports.* Permit holders may be required to file reports of the activities conducted under a permit. Reports shall be submitted to the Director not later than June 30 for the preceding 12 months.

§ 670.13 Modification, suspension, and revocation.

(a) The Director may modify, suspend, or revoke, in whole or in part, any permit issued under this section:

(1) In order to make the permit consistent with any change to any regulation in this part made after the date of issuance of the permit;

(2) If there is any change in conditions which makes the permit inconsistent with the purpose of the Act and these regulations; or

(3) In any case in which there has been any violation of any term or condition of the permit, any regulation in this part, or any provision of the Act.

(b) Whenever the Director proposes any modifications, suspension, or revocation of a permit under this subsection, the permittee shall be afforded opportunity, after due notice, for a hearing by the Director with respect to such proposed modification, suspension, or revocation. If a hearing is requested, the action proposed by the Director shall not take effect before a decision is issued by him after the hearing, unless the proposed action is taken by the Director to meet an emergency situation.

(c) Notice of the modification, suspension, or revocation of any permit by the Director shall be published in the Federal Register within 10 days from the date of the Director's decision.

§ 670.14 [Reserved]

Subpart D—Native Mammals and Native Birds

§ 670.15 Specific issuance criteria.

With the exception of specially protected species of mammals and birds designated in Subpart E of this part, permits to take a mammal or bird in Antarctica designated as a native mammal in § 670.17 or as a native bird in § 670.18 may be issued:

(a) Only for the purpose of providing:—(1) Specimens for scientific study or scientific information, or

(2) Specimens for museums, zoological gardens, or other educational or cultural institutions or uses;

(b) Shall ensure, as far as possible, that:—(1) No more native mammals or native birds are taken in any year than can normally be replaced by natural reproduction in the following breeding season, and

(2) The variety of species and the balance of the natural ecological systems within Antarctica are maintained; and

(3) The authorized taking, transporting, carrying, or shipping of any native mammal or native bird is carried out in a humane manner.

§ 670.16 Contents of permit applications.

In addition to the information required in Subpart C of this part, an applicant

seeking a permit to take a native mammal or native bird shall include a complete description of the project including the purpose of the proposed taking, the use to be made of the native mammals or native birds, and the ultimate disposition of the native mammals or native birds. Sufficient information must be provided to establish that the taking, transporting, carrying, or shipping will be humane.

§ 670.17 Designation of native mammals.

The following are designated native mammals:

Dolphin:

Hourglass—*Lagenorhynchus cruciger*.

Seal:

Crabeater—*Lobodon carcinophagus*.
Elephant—*Mirounga leonina*.
Kerguelen Fur—*Arctocephalus gazella*.
Leopard—*Hydrurga leptonyx*.
Ross—*Ommatophoca rossi*.
Weddell—*Leptonychotes weddellii*.

Whale:

Arnoux's Beaked—*Berardius arnuxii*.
Killer—*Orcinus orca*.
Long-finned Pilot—*Globicephala melaena*.
Southern Bottlenose—*Hyperoodon planifrons*.

*These species of mammals have been designated as specially protected species and are subject to Subpart E of this part.

§ 670.18 Designation of native birds.

The following are designated native birds:

Albatross:

Black-browed—*Diomedea melanophris*.
Gray-headed—*Diomedea chrysostoma*.
Light-mantled Sooty—*Phoebastria palpebrata*.
Wandering—*Diomedea exulans*.

Fulmer:

Northern Giant—*Macronectes halli*.
Southern—*Fulmarus glacialis*.
Southern Giant—*Macronectes giganteus*.

Gull:

Southern Black-backed—*Larus dominicanus*.

Jaeger:

Parasitic—*Stercorarius parasiticus*.
Pomarine—*Stercorarius pomarinus*.

Penguin:

Adelie—*Pygoscelis adeliae*.
Chinstrap—*Pygoscelis antarctica*.
Emperor—*Aptenodytes forsteri*.
Gentoo—*Pygoscelis papua*.
King—*Aptenodytes patagonicus*.
Macaroni—*Eudyptes chrysolophus*.
Rockhopper—*Eudyptes crestatus*.

Petrel:

Antarctic—*Thalassea antarctica*.
Black-bellied Storm—*Fregetta tropica*.
Blue—*Halobaena caerulea*.
Gray—*Procellaria cinerea*.
Great-winged—*Pterodroma macroptera*.
Kerguelen—*Pterodroma brevirostris*.
Mottled—*Pterodroma inexpectata*.
Snow—*Pagodroma nivea*.
Soft-plumaged—*Pterodroma mollis*.
South-Georgia Diving—*Pelecanoides georgicus*.

White-bellied Storm—*Fregetta grallaria*.
White-chinned—*Procellaria aequinoctialis*.
White-headed—*Pterodroma lessonae*.
Wilson's Storm—*Oceanites oceanicus*.

Pigeon:

Cape—*Daption capense*.

Pintail:

South American Yellow-billed—*Anas georgica spinicauda*.

Prion:

Antarctic—*Pachyptila desolata*.
Narrow-billed—*Pachyptila belcheri*.

Shag:

Blue-eyed—*Phalacrocorax atriceps*.

Shearwater:

Sooty—*Puffinus griseus*.

Skua:

Brown—*Catharacta lonnbergi*.
South Polar—*Catharacta maccormicki*.

Swallow:

Barn—*Hirundo rustica*.

Sheathbill:

American—*Chionis alba*.

Tern:

Antarctic—*Sterna vittata*.
Arctic—*Sterna paradisaea*.

§ 670.19 [Reserved]

Subpart E—Specially Protected Species of Mammals and Birds

§ 670.20 Specific issuance criteria.

Permits authorizing the taking of mammals or birds designated as a specially protected species of mammals and birds in § 670.22 may only be issued if

(a) There is a compelling scientific purpose for such taking;

(b) The actions allowed under any such permit will not jeopardize the existing natural ecological system, or the survival of that species; and

(c) The authorized taking, transporting, carrying, or shipping of any native mammal or native bird is carried out in a humane manner.

§ 670.21 Content of permit applications.

In addition to the information required in Subpart C of this part, an applicant seeking a permit to take a specially protected species shall include the following in the application:

(a) A detailed scientific justification of the need for taking the specially protected species, including a discussion of possible alternative species;

(b) Information demonstrating that the proposed action will not jeopardize the existing natural ecological system or the survival of that species; and

(c) Information establishing that the taking, transplanting, carrying, or shipping of any native mammal or native bird is carried out in a humane manner.

§ 670.22 Designation of specially protected species of mammals and birds.

The Act states that the Director shall designate as a specially protected species any native species of mammal or bird which is approved by the United States for special protection under the Agreed Measures. The following two species have been so approved and are hereby designated specially protected species:

Common Name and Scientific Name

Kerguelen Fur Seal—*Arctocephalus tropicales gazella*.

Ross Seal—*Ommatophoca rossi*.

§ 670.23 [Reserved]

Subpart F—Native Plants

§ 670.24 Specific issuance criteria.

Permits authorizing the collection of any native plant designated in § 670.26 from a specially protected area designated in § 670.30 may be issued only if

(a) There is a compelling scientific purpose for such collection which cannot be served elsewhere, and

(b) The actions allowed under any such permit will not jeopardize the natural ecological system existing in that area.

§ 670.25 Content of permit applications.

In addition to the information required in Subpart C of this part, an applicant seeking a permit to collect a native plant in a specially protected area shall include the following in the application:

(a) A detailed scientific justification of the need for the collection, including a discussion of alternatives; and

(b) Information demonstrating that the proposed action will not jeopardize the unique natural ecological system existing in that area.

§ 670.26 Designation of native plants.

All plants found in Antarctica are designated native plants, including:

Fungi—Lichens.
Vascular Plants—Marine algae.
Bryophytes—Freshwater algae.

§ 670.27 [Reserved]

Subpart G—Specially Protected Areas

§ 670.28 Specific issuance criteria.

Permits authorizing entry into any specially protected area designated in § 670.30 of this title may be issued only if

(a) There is a compelling scientific purpose for such entry which cannot be served elsewhere, and

(b) The actions allowed under any such permit will not jeopardize the

natural ecological system existing in that area.

No permit shall be issued that allows the operation of any surface vehicle in a specially protected area.

§ 670.29 Content of permit applications.

In addition to the information required in Subpart C of this part, and applicant seeking a permit to enter a specially protected area shall include the following in the application.

(a) A detailed scientific justification of the need for such entry, including a discussion of alternatives; and

(b) Information demonstrating that the proposed action will not jeopardize the unique natural ecological system existing in that area.

§ 670.30 Designation of specially protected areas.

The Act states the Director shall designate as a specially protected area, each area identified under the Agreed Measures as needing special protection. The following areas have been so identified and are designated as specially protected areas:

(a) Taylor Rookery, MacRobertson Land situated at Latitude 67° 26' South, Longitude 60° 50' East.

(b) Rookery Islands in Holme Bay.

(c) Ardery Island and Odbert Island in Vincennes Bay.

(d) Sabrina Island and Balleny Islands in the Ross Sea.

(e) Beaufort Island in the Ross Sea.

(f) Cape Hallett in Victoria Land.

(g) Dion Islands in Marguerite Bay.

(h) Green Island in the Berthelot Islands.

(i) Cape Shirreff on Livingston Island.

(j) Moe Island in the South Orkney Islands.

(k) Lynch Island in the South Orkney Islands.

(l) Powell Island (southern portion only), Fredriksen Island, Michelsen Island, Christofferson Island, Grey Island and all unnamed islands within one mile of these islands; all of which are part of the South Orkney Islands.

(m) Coppermine Peninsula on Robert Island.

(n) Litchfield Island in the Palmer Archipelago.

Maps specifying these areas in greater detail may be obtained from the Director.

§ 670.31 [Reserved]

Subpart H—Sites of Special Scientific Interest

§ 670.32 Specific issuance criteria.

Sites of Special Scientific Interest, designated in § 670.34, are sites where

scientific investigations are being conducted or are planned and there is a demonstrable risk of interference which would jeopardize those investigations. Certain of these sites do not require limitations on entry to protect their value for scientific investigations. No permit is required for entry into these sites but entrants must comply with the management plan. Permits to enter sites for which an entry permit is required may be issued only if the proposed entry is consistent with the management plan:

§ 670.33 Content of permit applications.

In addition to the information required in Subpart C of this part, an applicant seeking a permit to enter a site of special scientific interest shall include the following in the application:

(a) The justification for such entry;

(b) Information demonstrating that the proposed action will not jeopardize the unique scientific value of the area; and

(c) A statement demonstrating the consistency of the proposed action with the management plan.

§ 670.34 Designation of sites of special scientific interest and management plans for those sites.

The Act states that the Director shall designate as a site of special scientific interest each area approved by the United States in accordance with Recommendation VIII-3 of the Eighth Antarctic Treaty Consultative Meeting. The Act also requires the Director to prescribe a management plan for such sites which is consistent with any management plan approved by the United States in accordance with that Recommendation. Accordingly, the following areas are designated as sites of special scientific interest to be managed in accordance with the management plan set forth after each designation:

(a) *Sites of Special Scientific Interest Requiring a Permit for Entry.*—(1)(i) Cape Royds on Ross Island, (ii) Cape Crozier on Ross Island, and (iii) Haswell Island Management Plan. Entry by foot only for scientific purposes will be authorized. Pedestrians may not move through areas populated by birds except as necessary in the course of scientific investigations. A compelling scientific purpose must be demonstrated before a permit will be issued to take a native bird from this Site.

(2) Fildes Peninsula on King George Island Management Plan. The operation of surface vehicles and the landing of helicopters are not permitted within the Site except in an emergency. No buildings or other facilities may be erected on this Site. No rock samples

may be obtained unless authorized in the entry permit. Such authorization shall be given only for compelling scientific purposes.

(3) Byers Peninsula on Livingston Island Management Plan. The operation of surface vehicles is not permitted within the Site except in an emergency. No buildings or other facilities may be erected on this Site. No rock samples may be obtained unless authorized in the entry permit. Such authorization shall be given only for compelling scientific purposes.

(4) Barwick Valley in Victoria Land Management Plan. Entry on foot only will be authorized. Overflight is not permitted. Permanent field camps, landfill disposal, and other activities which would introduce new materials or organisms, including microorganisms, into the Site are not permitted. All materials carried into the Site shall be removed.

(b) *Sites of Special Scientific Interest not Requiring a Permit for Entry.*—(1) Arrival Heights on Ross Island Management Plan. Vehicles and pedestrians shall keep to designated tracks. No radio frequency transmitting equipment other than low power transceivers for local essential communication may be installed within the Site.

(c) *Maps.*—Maps identifying the designated Sites of Special Scientific Interest in greater detail are available from the Director.

§ 670.35 [Reserved]

Subpart I—Import Into and Export From the United States

§ 670.36 Specific issuance criteria for imports.

Subject to compliance with other applicable law, any person who takes a native mammal or native bird or collects a native plant under a permit issued under these regulations may import it into the United States unless the Director finds that importation would not further the purpose for which it was taken or collected. If the importation is for a purpose other than that for which the native mammal or native bird was taken or the native plant collected, the Director may permit importation upon a finding that importation would be consistent with the purposes of the Act, these regulations, or the permit under which they were taken or collected.

§ 670.37 Specific issuance criteria for exports.

The Director may permit export from the United States of any native plant taken from a specially protected area or

of any native mammal or native bird upon a finding that exportation would be consistent with the purposes of the Act, these regulations, or the permit under which they were taken or collected.

§ 670.38 Contents of permit applications.

In addition to the information required in Subpart C of this part, an applicant seeking a permit to import into or export from the United States a native plant taken from a specially protected area, a native mammal, or a native bird shall include the following in the application:

(a) Information demonstrating that the import or export would further the purposes for which the species was taken or collected; or

(b) Information demonstrating that the import or export is consistent with the purposes of the Act or these regulations; and

(c) A statement as to which U.S. port will be used for the import or export.

The application shall also include information describing the intended ultimate disposition of the imported or exported item.

§ 670.39 Entry and exit ports.

Any native plant collected in a specially protected area and any native mammal or native bird imported into or exported from the United States must enter or leave the United States at ports designated by the Secretary of Interior in 50 CFR Part 14. The ports presently designated are:

- (a) New York, New York,
- (b) Miami, Florida,
- (c) Chicago, Illinois,
- (d) San Francisco, California,
- (e) New Orleans, Louisiana,
- (f) Seattle, Washington,
- (g) Honolulu, Hawaii.

Permits to import or export at non-designated ports may be sought from the Secretary of Interior pursuant to Subpart C, 50 CFR Part 14.

§ 670.40 [Reserved]

Subpart J—Introduction of Non-indigenous Plants and Animals

§ 670.41 Specific issuance criteria.

For purposes consistent with the Act, only the following plants and animals may be considered for a permit allowing their introduction into Antarctica:

- (a) sled dogs;
- (b) domestic animals and plants; and
- (c) laboratory animals and plants including viruses, bacteria, yeasts, and fungi.

Living non-indigenous species of birds shall not be introduced into Antarctica.

§ 670.42 Content of permit applications.

Applications for the importation of plants and animals into Antarctica must describe (a) the need for the plants or animals, (b) how the applicant will ensure that the plants or animals will not harmfully interfere with the natural system, and (c) how the plants or animals will be removed from Antarctica or destroyed after they have served their purpose.

§ 670.43 Conditions of permits.

(a) *General.* All permits allowing the introduction of non-indigenous plants and animals will require that the animal or plant be kept under controlled conditions to prevent harmful interference with the natural system and that after serving its purpose the plant or animal shall be removed from Antarctica or destroyed in a manner that protects the natural system of Antarctica.

(b) *Dogs.* In addition to the requirements of paragraph (a) of this section, all dogs imported into Antarctica shall be inoculated against the following diseases:

- (1) Distemper;
- (2) Contagious canine hepatitis;
- (3) Rabies; and
- (4) Leptospirosis (*L. canicola* and *L. icterohaemorrhagiae*).

Each dog shall be inoculated at least two months before importation, and a certificate of inoculation shall accompany each dog. No dog shall be allowed to run free in Antarctica.

§ 670.44 [Reserved]

Signed at Washington, D.C., on May 31, 1979:

Richard C. Atkinson,
Director.

[FR Doc. 79-11649 Filed 6-6-79; 8:45 am]
BILLING CODE 7555-01-M

DEPARTMENT OF TRANSPORTATION

Urban Mass Transportation Administration

49 CFR Part 601

Organization, Function, and Procedures

AGENCY: Urban Mass Transportation Administration, DOT.

ACTION: Final Rule.

SUMMARY: The purpose of this document is to revise the sequence in which UMTA officials assume and perform the duties of the Administrator when he or she is absent or disabled (line of

succession). Under this regulation, when the Administrator and Deputy Administrator are absent or disabled, the duties of the Administrator will be performed by the Associate Administrator for Policy, Budget and Program Development. If this official is also absent or disabled, the duties of the Administrator will be performed by the Associate Administrator for Planning, Management and Demonstrations. The remainder of the line of succession regulation remains unchanged, except that the Associate Administrator for Transportation Planning position is deleted since this position no longer exists.

EFFECTIVE DATE: May 29, 1979.

FOR FURTHER INFORMATION CONTACT: Joseph Marshall, Acting Director, Office of Public Affairs, Urban Mass Transportation Administration, Room 9330, 400 Seventh Street SW., Washington, D.C. 20590, 202-426-4043.

SUPPLEMENTARY INFORMATION: Since this is a matter relating to agency management, under 5 U.S.C. 553, notice and comment are not required, and the rule may be made effective less than 30 days after publication.

Accordingly, Part 601 of Title 49 of the Code of Federal Regulations is amended by revising § 601.4(b) and (c) to read as follows, and by deleting § 601.4(g).

§ 601.4 Responsibilities of the Administrator.

* * * * *

(b) Associate Administrator for Policy, Budget and Program Development.

(c) Associate Administrator for Planning, Management and Demonstrations.

* * * * *

(49 CFR 1.51)

Dated: May 29, 1979.

Gary D. Gayton,
Acting Administrator.

[FR Doc. 79-17686 Filed 6-6-79; 8:45 am]
BILLING CODE 4910-57-M