

National Aeronautics and Space Administration

Principal Center for Regulatory Risk Analysis and Communication

REGULATORY ALERT

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Date [Citation]: 27 October 2009 [74 FR 55090]

Regulatory Agency: U.S. Department of Agriculture

Rulemaking Type: Final Rule

Title: Designation of Biobased Items for Federal Procurement

Summary:

On 27 October 2009, the U.S. Department of Agriculture (USDA) issued a final rule designating the fifth round of biobased items for federal procurement. The action is part of USDA's effort to implement the Federal BioPreferred Program, which provides for the preferred procurement of biobased products by procuring agencies. As defined by the Farm Security and Rural Investment Act of 2002, "biobased products" are products determined by the U.S. Secretary of Agriculture to be commercial or industrial goods (other than food or feed) composed in whole or in significant part of biological products; forestry materials; or renewable domestic agricultural materials, including plant, animal, or marine materials.

The nine products designated in the final rule include the following:

- Chain and cable lubricants
- Corrosion preventives
- Food cleaners
- Forming lubricants
- Gear lubricants
- General purpose household cleaners (does not include disinfectants)
- Industrial cleaners (does not include parts washer solutions)
- Multipurpose cleaners (does not include disinfectants)
- Parts wash solutions

The final rule becomes effective 27 November 2009. Procuring agencies have until 27 October 2010 to establish a procurement preference for these products.

Potential Impacts to NASA:

USDA has provided "blanket" exemptions at <u>7 CFR 2902.3(e)</u> for the purchase and use of biobased products in products or systems designed or procured for combat or combat-related missions and for spacecraft systems and launch support equipment. These exemptions apply to all items designated for the procurement preference.

NASA, as well its contractors, are subject to the biobased procurement preference requirements for activities associated with manufacturing parts for use on space vehicles, but parts that are actual components of space vehicles and launch support equipment are exempt from the requirements under the blanket exemption. For example, if a component is being manufactured for use on a space vehicle, the hydraulic fluid in the contractor's production equipment used to produce the component should be biobased (provided that a biobased product meets the relevant specifications), but the component itself is exempt from these requirements. The biobased procurement preference requirements apply if the price of the designated item exceeds \$10,000 or the aggregate amount exceeds \$10,000, including the amount for functionally equivalent items for the preceding fiscal year.

Additional Information: http://www.biobased.oce.usda.gov/