

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

### B. Regulatory Flexibility Act

DoD certifies that this final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the rule pertains only to companies in which the Director of Defense Procurement has determined that the People's Republic of China or the People's Liberation Army of the People's Republic of China owns more than 50 percent interest.

### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the rule does not impose any information collection requirements that require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

### List of Subjects in 48 CFR Parts 212, 225, and 252

Government procurement.

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

### Interim Rule Adopted as Final With Changes

Accordingly, the interim rule amending 48 CFR parts 212, 225, and 252, which was published at 64 FR 8727 on February 23, 1999, is adopted as a final rule with the following changes:

1. The authority citation for 48 CFR parts 212, 225, and 252 continues to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

### PART 225—FOREIGN ACQUISITION

2. Sections 225.771–2 through 225.771–4 are revised and section 225.771–5 is added to read as follows:

#### 225.771–2 Legal authority.

This section implements Section 8120 of the DoD Appropriations Act for fiscal year 1999 (Pub. L. 105–262), as amended by Section 144 of Title I, Division C, of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Pub. L. 105–277).

#### 225.771–3 Prohibition on contract award.

If using fiscal year 1999 funds made available by Title III (Procurement) or Title IV (Research, Development, Test and Evaluation) of Pub. L. 105–262, do not award or renew a contract with any

company in which the Director of Defense Procurement has determined that the People's Republic of China or the People's Liberation Army of the People's Republic of China owns more than 50 percent interest.

#### 225.771–4 Procedures.

(a) Forward any information that the People's Republic of China or the People's Liberation Army of the People's Republic of China owns more than 50 percent interest in a company, through the head of the agency, to the Director, Defense Procurement, ATTN: OUSD (AT&L) DP/FC, 3060 Defense Pentagon, Washington, DC 20301–3060.

(b) Upon verification of the information, the Director of Defense Procurement will ask the General Services Administration to list the company as ineligible on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

#### 225.771–5 Solicitation provision.

Use the provision at 252.225–7017, Prohibition on Award to Companies Owned by the People's Republic of China, in solicitations for contracts that will use fiscal year 1999 funds made available by Title III or IV of Pub. L. 105–262.

### PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

3. Section 252.225–7017 is revised to read as follows:

#### 252.225–7017 Prohibition on Award to Companies Owned by the People's Republic of China.

As prescribed in 225.771–5, use the following provision:

#### Prohibition on Award to Companies Owned by the People's Republic of China (FEB 2000)

(a) *Definition.* "People's Republic of China," as used in this provision, means the government of the People's Republic of China, including its political subdivisions, agencies, and instrumentalities.

(b) *Prohibition on award.* Section 8120 of the Department of Defense Appropriations Act for fiscal year 1999 (Pub. L. 105–262), as amended by Section 144 of Title I, Division C, of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Pub. L. 105–277), prohibits the award of a contract under this solicitation to any company in which the Director of Defense Procurement (Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics)) has determined that the People's Republic of China or the People's Liberation Army of the People's Republic of China owns more than 50 percent interest.

(c) *Representation.* By submission of an offer, the offeror represents that the People's

Republic of China or the People's Liberation Army of the People's Republic of China does not own more than 50 percent interest in the offeror.

(End of provision)

[FR Doc. 00–2943 Filed 2–9–00; 8:45 am]

BILLING CODE 5000–04–M

### DEPARTMENT OF DEFENSE

### 48 CFR Part 219 and Appendix I to Chapter 2

[DFARS Case 99–D307]

### Defense Federal Acquisition Regulation Supplement; Mentor-Protege Program Improvements

**AGENCY:** Department of Defense (DoD).

**ACTION:** Interim rule with request for comments.

**SUMMARY:** The Acting Director of Defense Procurement has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement Section 811 of the National Defense Authorization Act for Fiscal Year 2000. Section 811 amends statutory provisions pertaining to the DoD Pilot Mentor-Protege Program.

**DATES:** *Effective date:* February 10, 2000.

*Comment date:* Comments on the interim rule should be submitted in writing to the address shown below on or before April 10, 2000, to be considered in the formation of the final rule.

**ADDRESSES:** Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Susan Schneider, PDUSD (AT&L) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062. Telefax (703) 602–0350.

E-mail comments submitted via the Internet should be addressed to: [dfars@acq.osd.mil](mailto:dfars@acq.osd.mil)

Please cite DFARS Case 99–D307 in all correspondence related to this rule. E-mail comments should cite DFARS Case 99–D307 in the subject line.

**FOR FURTHER INFORMATION CONTACT:** Ms. Susan Schneider, (703) 602–0326.

### SUPPLEMENTARY INFORMATION:

#### A. Background

This interim rule revises DFARS Subpart 219.71 and Appendix I to implement Section 811 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65). Section 811 amends statutory provisions pertaining to the DoD Pilot Mentor-Protege Program. The amendments revise the procedures for reimbursement

of costs to mentor firms for assistance provided to protege firms; require both mentor and protege firms to submit progress reports; require the Defense Contract Management Command to conduct annual performance reviews of mentor-protege agreements; extend the period for entering into mentor-protege agreements until September 30, 2002; and extend the period during which mentor firms may incur costs under the Program until September 30, 2005.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

## B. Regulatory Flexibility Act

DoD does not expect this rule to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.* The rule changes procedures for administering and monitoring the Mentor-Protege Program, but maintains the primary objective of providing incentives for major DoD contractors to assist small disadvantaged business concerns and qualified organizations employing the severely disabled in enhancing their capabilities to satisfy Government and commercial contract requirements. Therefore, DoD has not performed and initial regulatory flexibility analysis. DoD invites comments from small businesses and other interested parties. DoD also will consider comments from small entities concerning the affected DFARS subparts in accordance with 5 U.S.C. 610. Such comments should be submitted separately and should cite DFARS Case 99-D307.

## C. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501, *et seq.*) applies because the interim rule contains new information collection requirements. Under the emergency processing provisions of 44 U.S.C. 3507(j) as implemented at 5 CFR 1320.13, the Office of Management and Budget (OMB) has granted emergency approval of the information collection requirements through July 31, 2000, under OMB Clearance Number 0704-0412. DoD will obtain the OMB approval required by 44 U.S.C. 3507(a)(2) prior to publication of the final rule.

1. *Comments:* Comments are invited. Particular comments are solicited on:

a. Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

b. The accuracy of the agency's estimate of the burden of the information collection;

c. Ways to enhance the quality, utility, and clarity of the information to be collected; and

d. Ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of information technology.

2. *Title, Associated Form, and OMB Number:* DoD Pilot Mentor-Protege Program, Defense Federal Acquisition Regulation Supplement Appendix I; OMB Number 0704-0412.

3. *Needs and Uses:* The new information collection required by Appendix I, Policy and Procedures for the DoD Pilot Mentor-Protege Program, is required by Section 811 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65). DoD will use the information to assess whether the purposes of the Pilot Mentor-Protege Program have been attained and to prepare the reports to Congress required by Section 811 of Public Law 106-65.

4. *Affected Public:* Businesses or other for-profit entities.

5. *Annual Burden Hours:* 435.

6. *Number of Respondents:* 145.

7. *Responses Per Respondent:* 1.

8. *Number of Responses:* 145.

9. *Average Burden Per Response:* 3 hours (1 reporting hour; 2 recordkeeping hours).

10. *Frequency:* Annually.

11. *Supplementary Information:* DFARS Appendix I requires a protege firm to report on its progress under a mentor-protege agreement by concurring with or rebutting its mentor firm's year-end report. The protege firm also must provide data on its employment, revenues, and participation in DoD contracts. The report is required annually during the protege firm's Program participation term and for 2 fiscal years after the expiration of the Program participation term.

## D. Determination to Issue an Interim Rule

A determination has been made under the authority of the Secretary of Defense that urgent and compelling reasons exist to publish this interim rule prior to affording the public an opportunity to comment. This interim rule implements Section 811 of the National Defense Authorization Act for Fiscal Year 2000. Section 811 amends statutory provisions pertaining to the DoD Pilot Mentor-Protege Program. Section 811 became effective on October 5, 1999. DoD will consider comments received in response

to this interim rule in the formation of the final rule.

## List of Subjects in 48 CFR Part 219

Government procurement.

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR part 219 and Appendix I to Chapter 2 are amended as follows:

1. The authority citation for 48 CFR Part 219 and Appendix I to Subchapter I continues to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

## PART 219—SMALL BUSINESS PROGRAMS

2. Subpart 219.71 is revised to read as follows:

### Subpart 219.71—Pilot Mentor-Protege Program

Sec.	
219.7100	Scope.
219.7101	Policy.
219.7102	General.
219.7103	Procedures.
219.7103-1	General.
219.7103-2	Contracting officer responsibilities.
219.7104	Developmental assistance costs eligible for reimbursement or credit.
219.7105	Reporting.
219.7106	Performance reviews.

### 219.7100 Scope.

This subpart implements the Pilot Mentor-Protege Program established under Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Pub. L. 101-510; 10 U.S.C. 2302 note). The purpose of the Program is to provide incentives for DoD contractors to assist small disadvantaged businesses in enhancing their capabilities and to increase participation of such firms in Government and commercial contracts. Qualified organizations employing the severely disabled, as defined in Section 8064A of Pub. L. 102-172, are also eligible to participate as protege firms.

### 219.7101 Policy.

DoD policy and procedures for implementation of the Program are contained in Appendix I, Policy and Procedures for the DoD Pilot Mentor-Protege Program.

### 219.7102 General.

The Program includes—

(a) Mentor firms that are prime contractors with at least one active subcontracting plan negotiated under FAR Subpart 19.7.

(b) Protege firms that are small disadvantaged business (SDB) concerns as defined at 219.001(1), or qualified organizations employing the severely disabled, eligible for receipt of Federal contracts and selected by the mentor firm.

(c) Mentor-protege agreements that establish a developmental assistance program for a protege firm.

(d) Incentives that DoD may provide to mentor firms, including:

(1) Reimbursement for developmental assistance costs through—

(i) A separately priced contract line item on a DoD contract; or

(ii) A separate contract, upon written determination by the Director, Small and Disadvantaged Business Utilization, Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) SADB, OUSD (AT&L), that unusual circumstances justify reimbursement using a separate contract; or

(2) Credit toward SDB subcontracting goals, established under a subcontracting plan negotiated under FAR Subpart 19.7, for developmental assistance costs that are not reimbursed.

#### **219.7103 Procedures.**

##### **219.7103-1 General.**

The procedures for application, acceptance, and participation in the Program are in Appendix I, Policy and Procedures for the DoD Pilot Mentor-Protege Program. The Director, SADB, OUSD (AT&L), approves contractors as mentor firms, approves mentor-protege agreements, and forwards approved mentor-protege agreements to the contracting officer when program funding is available through a DoD program manager.

##### **219.7103-2 Contracting officer responsibilities.**

Contracting officers must—

(a) Negotiate an advance agreement on the treatment of developmental assistance costs for either credit or reimbursement if the mentor firm proposes such an agreement, or delegate authority to negotiate to the administrative contracting officer (see FAR 31.109).

(b) Modify (without consideration) applicable contract(s) to incorporate the clause at 252.232-7005, Reimbursement of Subcontractor Advance Payments—DoD Pilot Mentor-Protege Program, when a mentor firm provides advance payments to a protege firm under the Program and the mentor firm requests reimbursement of advance payments.

(c) Modify (without consideration) applicable contract(s) to incorporate other than customary progress payments for small disadvantaged businesses in

accordance with FAR 32.504(c) if a mentor firm provides such payments to a protege firm and the mentor firm requests reimbursement.

(d) Modify applicable contract(s) to establish a contract line item for reimbursement of developmental assistance costs if—

(1) A DoD program manager has made funds available for that purpose; and

(2) The contractor has an approved mentor-protege agreement.

(e) Negotiate and award a separate contract for reimbursement of developmental assistance cost if—

(1) A DoD program manager has made funds available for that purpose;

(2) The contractor has an approved mentor-protege agreement; and

(3) The Director, SADB, OUSD (AT&L), has made a determination in accordance with 219.7102(d)(1)(ii).

(f) Authorized reimbursement for costs of assistance furnished to a protege firm in excess of \$1,000,000 in a fiscal year only after receipt of a written determination from the Director, SADB, OUSD (AT&L).

(g) Advise contractors of reporting requirements in Appendix I.

(h) Provide a copy of the approved Mentor-Protege agreement to the Defense Contract Management Command administrative contracting officer responsible for conducting the annual performance review (see Appendix I, Section I-112).

##### **219.7104 Developmental assistance costs eligible for reimbursement or credit.**

(a) Development assistance provided under an approved mentor-protege agreement is distinct from, and must not duplicate, any effort that is the normal and expected product of the award and administration of the mentor firm's subcontracts. The mentor firm must accumulate and charge costs associated with the latter in accordance with its approved accounting practices. Mentor firm costs that are eligible for reimbursement are set forth in Appendix I.

(b) Before incurring any costs under the Program, mentor firms must establish the accounting treatment of developmental assistance costs eligible for reimbursement or credit. Advance agreements are encouraged. To be eligible for reimbursement under the Program, the mentor firm must incur the costs before October 1, 2005.

(c) If the mentor firm is suspended or debarred while performing under an approved mentor-protege agreement, the mentor firm may not be reimbursed or credited for developmental assistance costs incurred more than 30 days after the imposition of the suspension or debarment.

(d) Developmental assistance costs incurred by a mentor firm before October 1, 2005, that are eligible for crediting under the Program, may be credited toward subcontracting plan goals as set forth in Appendix I.

#### **219.7105 Reporting.**

Mentor and protege firms must report on the progress made under mentor-protege agreements as indicated in Appendix I, Section I-111.

#### **219.7106 Performance reviews.**

The Defense Contract Management Command will conduct annual performance reviews of all mentor-protege agreements as indicated in Appendix I, Section I-112.

3. Appendix I to Chapter 2 is revised to read as follows:

#### **Appendix I—Policy and Procedures for the DOD Pilot Mentor-Protege Program**

I-100 Purpose.

I-101 Definitions.

I-101.1 Emerging SDB concern.

I-101.2 Historically Black college or university.

I-101.3 Minority institution of higher education.

I-102 General procedures.

I-103 Program duration.

I-104 Eligibility requirements for a protege firm.

I-105 Selection of protege firms.

I-106 Approval process for companies to participate in the Program as mentor firms.

I-107 Mentor-protege agreements.

I-108 Reimbursement procedures.

I-109 Credit for unreimbursed developmental assistance costs.

I-110 Advance agreements on the treatment of developmental assistance costs.

I-111 Reporting requirements.

I-112 Agreement reviews.

#### **I-100 Purpose.**

(a) This Appendix I to 48 CFR Chapter 2 implements the Pilot Mentor-Protege Program (hereinafter referred to as the "Program") established under Section 831 of Pub. L. 101-510, the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note). The purpose of the Program is to—

(1) Provide incentives to major DoD contractors, performing under at least one active approved subcontracting plan negotiated with DoD or another Federal agency, to assist small disadvantaged business (SDB) concerns or qualified organizations employing the severely disabled (hereinafter referred to as "protege firms") in enhancing their capabilities to satisfy DoD and other contract and subcontract requirements;

(2) Increase the overall participation of protege firms as subcontractors and suppliers under DoD contracts, other Federal agency contracts, and commercial contracts; and

(3) Foster the establishment of long-term business relationships between protege firms and such contractors.

(b) Under the Program, eligible companies approved as mentor firms will enter into mentor-protégé agreements with eligible protégé firms to provide appropriate developmental assistance to enhance the capabilities of the protégé firms to perform as subcontractors and suppliers. According to the law, DoD may provide the mentor firm with either cost reimbursement or credit against SDB subcontracting goals established under contracts with DoD or other Federal agencies.

(c) DoD will measure the overall success of the Program by the extent to which the Program results in—

(1) An increase in the dollar value of subcontracts awarded to protégé firms by mentor firms under DoD contracts;

(2) An increase in the dollar value of contract and subcontract awards to protégé firms (under DoD contracts, contracts awarded by other Federal agencies, and commercial contracts) from the date of their entry into the Program until 2 years after the conclusion of the agreement;

(3) An increase in the number and dollar value of subcontracts awarded to a protégé firm (or former protégé firm) by its mentor firm (or former mentor firm);

(4) An increase in subcontracting with SDB concerns in industry categories where SDBs traditionally have not participated within the mentor firm's vendor base;

(5) The involvement of emerging SDBs in the Program; and

(6) An increase in the employment level of protégé firms from the date of entry into the Program until 2 years after the completion of the agreement.

(d) This policy sets forth the procedures for participation in the Program applicable to companies that are interested in receiving—

(1) Reimbursement through a separate contract line item in a DoD contract or a separate contract with DoD; or

(2) Credit toward SDB subcontracting goals for costs incurred under the Program.

#### *I-101 Definitions.*

##### *I-101.1 Emerging SDB concern.*

A small disadvantaged business whose size is no greater than 50 percent of the numerical size standard applicable to the standard industrial code for the supplies or services that the protégé firm provides or would provide to the mentor firm.

##### *I-101.2 Historically Black college or university.*

An institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. The term also means any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

##### *I-101.3 Minority institution of higher education.*

An institution meeting the definition of "Minority Institution" at FAR 26.301.

#### *I-102 General procedures.*

(a) At any time between October 1, 1991, and September 30, 2002, companies interested in becoming mentor firms that want to take credit toward SDB

subcontracting goals for costs incurred for providing developmental assistance to one or more protégé firms must apply to DoD for participation in the Program pursuant to the application process set forth at I-106(a).

(b) At any time between October 1, 1991, and September 30, 2002, companies interested in becoming mentor firms that are able to identify funding from a DoD program manager(s) to provide developmental assistance to one or more protégé firms must apply to DoD for participation in the Program, pursuant to the application process set forth at I-106(d).

#### *I-103 Program duration.*

Activities under the Program may occur only during the following periods:

(a) From October 1, 1991, until September 30, 2002, companies that have been approved for participation in the Program as mentor firms pursuant to I-102, General Procedures, may enter into mentor-protégé agreements, pursuant to I-107, Mentor Protégé Agreements.

(b) From October 1, 1991, until September 30, 2005, DoD may reimburse a mentor firm's costs of providing developmental assistance to its protégé firm only if a DoD program manager has identified the funding for such costs and—

(1)(i) For mentor-protégé agreements entered into prior to October 1, 1999, the mentor firm incurs such costs after DoD and the mentor firm enter into a separate contract, cooperative agreement, or other agreement; or

(ii) For mentor-protégé agreements entered into on or after October 1, 1999, the mentor firm incurs such costs after DoD and the mentor firm enter into a separate contract based upon a determination by the Director, Small and Disadvantaged Business Utilization, Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (SADBU, OUSD (AT&L)), that unusual circumstances justify using a separate contract; or

(2) The mentor firm incurs such costs pursuant to the execution of a separately priced contract line item added to a DoD contract(s).

(c) From October 1, 1991, until September 30, 2005, a mentor firm may receive credit toward the attainment of its goals for subcontract awards to SDBs, for unreimbursed costs incurred in providing developmental assistance to its protégé firms, only if such costs are incurred pursuant to an approved mentor-protégé agreement.

#### *I-104 Eligibility requirements for a protégé firm.*

(a) An entity may qualify as a protégé firm if it is—

(1) An SDB concern as defined at 219.001, paragraph (1) of the definition of "small disadvantaged business concern," that is—

(i) Eligible for the award of Federal contracts; and

(ii) A small business according to the Small Business Administration (SBA) size standard for the Standard Industrial Classification (SIC) code that represents the contemplated supplies or services to be provided by the protégé firm to the mentor firm; or

(2) A qualified organization employing the severely disabled as defined in Pub. L. 102-172, section 8064A.

(b) A protégé firm may self-certify to a mentor firm that it meets the eligibility requirements in paragraph (a)(1) or (2) of this section. Mentor firms may rely in good faith on a written representation that the entity meets the requirements of paragraph (a)(1) or (2) of this section, except for a protégé's status as a small disadvantaged business concern (see FAR 19.703(b)).

(c) A protégé firm may have only one active DoD mentor-protégé agreement.

#### *I-105 Selection of protégé firms.*

(a) Mentor firms will be solely responsible for selecting protégé firms. Mentor firms are encouraged to identify and select protégé firms that are defined as emerging SDB concerns.

(b) The selection of protégé firms by mentor firms may not be protested, except as in paragraph (c) of this section.

(c) In the event of a protest regarding the size or disadvantaged status of an entity selected to be a protégé firm as defined in I-104(a)(1), the mentor firm must refer the protest to the SBA to resolve in accordance with 13 CFR Part 121 (with respect to size) or 13 CFR 124 (with respect to disadvantaged status).

(d) For purposes of the Small Business Act, no determination of affiliation or control (either direct or indirect) may be found between a protégé firm and its mentor firm on the basis that the mentor firm has agreed to furnish (or has furnished) to its protégé firm, pursuant to a mentor-protégé agreement, any form of developmental assistance described in I-107(f).

(e) If at any time pursuant to paragraph (c) of this section, the SBA determines that an SDB protégé firm is not an SDB concern, assistance that the mentor firm furnishes to such a concern after the date of the determination may not be considered assistance furnished under the Program.

#### *I-106 Approval process for companies to participate in the Program as mentor firms.*

(a) On or after October 1, 1991, a company that is interested in becoming a mentor firm that is seeking credit toward SDB subcontracting goals for costs incurred under the Program must submit a request to the Director, SADBU, OUSD (AT&L), for approval as a mentor firm under the Program. The Director will evaluate the request based on the extent to which the company's proposal addresses the items listed in paragraphs (b) and (c) of this section. To the maximum extent possible, a company should limit its request to not more than 10 pages, single-spaced. A company may identify more than one protégé in its request for approval under the Program. The request must include the information required in paragraphs (b) and (c) of this section and may cover one or more proposed mentor-protégé relationships.

(b) A company must indicate whether it is interested in participating in the Program pursuant to I-100(d)(1) or (2) and must submit the following information:

(1) A statement that the company is currently performing under at least one

active approved subcontracting plan negotiated with DoD or another Federal agency pursuant to FAR 19.702, and that the company is currently eligible for the award of Federal contracts.

(2) The number of proposed mentor-protege relationships covered by the request for approval as a mentor firm.

(3) A summary of the company's historical and recent activities and accomplishments under its SDB program.

(4) The total dollar amount of DoD contracts and subcontracts that the company received during the 2 preceding fiscal years. (Show prime contracts and subcontracts separately per year.)

(5) The total dollar amount of all other Federal agency contracts and subcontracts that the company received during the 2 preceding fiscal years. (Show prime contracts and subcontracts separately per year.)

(6) The total dollar amount of subcontracts that the company awarded under DoD contracts during the 2 preceding fiscal years.

(7) The total dollar amount of subcontracts that the company awarded under all other Federal agency contracts during the 2 preceding fiscal years.

(8) The total dollar amount and percentage of subcontracts that the company awarded to all SDB firms under DoD contracts and other Federal agency contracts during the 2 preceding fiscal years. (Show DoD subcontract awards separately.) If the company presently is required to submit a Standard Form (SF) 295, Summary Subcontract Report, the request must include copies of the final reports for the 2 preceding fiscal years.

(9) The number and total dollar amount of subcontracts that the company awarded to the identified protege firm(s) during the 2 preceding fiscal years (if any). (Show DoD subcontract awards and other Federal agency subcontract awards separately.)

(c) In addition to the information required in paragraph (b) of this section, companies must submit the following information for each proposed mentor-protege relationship:

(1) Information on the company's ability to provide developmental assistance to the identified protege firm and how that assistance will potentially increase subcontracting opportunities in industry categories where SDBs are not dominant in the company's vendor base.

(2) A letter of intent indicating that both the mentor firm and the protege firm will negotiate a mentor-protege agreement. The letter of intent must be signed by both parties and must contain the following information:

(i) The name, address, and telephone number of both parties.

(ii) The protege firm's business classification, based upon the SIC code(s) that represents the contemplated supplies or services to be provided by the protege firm to the mentor firm.

(iii) A statement that the protege firm meets the eligibility criteria in I-104(a)(1) or (2).

(iv) A preliminary assessment of the developmental needs of the protege firm, and the proposed developmental assistance the mentor firm envisions providing the protege firm to address those needs and enhance the

protege firm's ability to perform successfully under contracts or subcontracts with DoD and other Federal agencies and commercial contracts.

(v) An estimate of the dollar amount and type of subcontracts that the mentor firm will award to the protege firm, and the period of time over which the mentor firm will make those awards.

(vi) Information as to whether the protege firm's development will be concentrated on a single major system, a service or supply program, research and development programs, initial production, or mature systems, or in the mentor firm's overall contract base.

(3) An estimate of the cost of the developmental assistance program and the period of time over which the mentor firm will provide assistance.

(4) A statement from the protege firm indicating its commitment to comply with the requirements for reporting and for review of the agreement during the duration of the agreement and for 2 years thereafter.

(d) A company that has identified Program funds to be made available through a DoD program manager must provide the information in paragraphs (b) and (c) of this section through the appropriate program manager and the cognizant Director, SADB, to the Director, SADB, OUSD(AT&L), with a letter signed by the appropriate program manager indicating the amount of funding that has been identified for the developmental assistance program. The company must submit a justification and endorsement from the cognizant Director, SADB, when requesting—

(1) Reimbursement of developmental costs in excess of \$1,000,000;

(2) Reimbursement through a separate contract; or

(3) A Program participation term greater than 3, but not more than 5, years.

(e) Companies seeking credit toward SDB subcontracting goals for the cost of developmental assistance, or reimbursement with funds made available by a DoD program manager, must submit four copies of the information specified in paragraphs (b) and (c) of this section to the Director, SADB, OUSD(AT&L), ATTN: Pilot Mentor-Protege Program Manager, 1777 North Kent Street, Suite 9100, Arlington, VA 22209. Upon receipt of this information, the Director, SADB, OUSD(AT&L), will review and evaluate each request and, to the maximum extent possible, within 30 days advise each applicant of approval or rejection of its request to become a mentor firm.

(f) A company approved as a mentor firm, either for credit or for reimbursement through funds made available by a DoD program manager, proceed with the negotiation of the mentor-protege agreement with the identified protege firm(s).

(g) Companies that apply for participation in the Program pursuant to paragraph (e) of this section, and are not approved, will be provided the reasons and an opportunity to submit additional information for reconsideration.

(h) A company may not be approved for participation in the Program as a mentor firm if, at the time of requesting participation in

the Program, it is currently debarred or suspended from contracting with the Federal Government pursuant to FAR subpart 9.4.

(i) If the mentor firm is suspended or debarred while performing under an approved mentor-protege agreement, the mentor firm—

(1) May continue to provide assistance to its protege firms pursuant to approved mentor-protege agreements entered into prior to the imposition of such suspension or debarment;

(2) May not be reimbursed or take credit for any costs of providing developmental assistance to its protege firm, incurred more than 30 days after the imposition of such suspension or debarment; and

(3) Must promptly give notice of its suspension or debarment to its protege firm and the Director, SADB, OUSD(AT&L).

#### *I-107 Mentor-protege agreements.*

(a) A signed mentor-protege agreement for each mentor-protege relationship identified under I-106(b)(2) must be submitted to the Director, SADB, OUSD(AT&L), and approved before developmental assistance costs may be incurred. To the maximum extent possible, such mentor-protege agreements will be approved within 5 business days of receipt.

(b) Each signed mentor-protege agreement submitted for approval under the Program must include—

(1) The name, address, and telephone number of the mentor firm and the protege firm and a point of contact within the mentor firm who will administer the developmental assistance program;

(2) The SIC code that represents the contemplated supplies or services to be provided by the protege firm to the mentor firm and a statement that, at the time the agreement is submitted for approval, the protege firm, if an SDB concern, does not exceed the size standard for the appropriate SIC code;

(3) A developmental program for the protege firm specifying the type of assistance identified in paragraph (f) of this section that will be provided. The developmental program also must include—

(i) Factors to assess the protege firm's developmental progress under the Program, including milestones for providing the identified assistance;

(ii) The anticipated number, dollar value, and type of subcontracts to be awarded the protege firm consistent with the extent and nature of the mentor firm's business, and the period of time over which the subcontracts will be awarded; and

(iii) The dollar value of the technical assistance program, broken out per year;

(4) A program participation term for the agreement that does not exceed 3 years. Requests for an extension of the agreement for a period not to exceed an additional 2 years are subject to the approval of the Director, SADB, OUSD(AT&L), and are contingent upon the endorsement and submission of justification for such an extension from the cognizant Director, SADB. The justification must detail the unusual circumstances that warrant a term in excess of 3 years;

(5) Procedures for the mentor firm to notify the protege firm in writing at least 30 days in advance of the mentor firm's intent to voluntarily withdraw its participation in the Program. A mentor firm may voluntarily terminate its mentor-protege agreement(s) only if it no longer wants to be a participant in the Program as a mentor firm. Otherwise, a mentor firm must terminate a mentor-protege agreement for cause;

(6) Procedures for a protege firm to notify the mentor firm in writing at least 30 days in advance of the protege firm's intent to voluntarily terminate the mentor-protege agreement;

(7) Procedures for the mentor firm to terminate the mentor-protege agreement for cause which provide that—

(i) The mentor firm must furnish the protege firm a written notice of the proposed termination, stating the specific reasons for such action, at least 30 days in advance of the effective date of such proposed termination;

(ii) The protege firm must have 30 days to respond to such notice of proposed termination, and may rebut any findings believed to be erroneous and offer a remedial program;

(iii) Upon prompt consideration of the protege firm's response, the mentor firm must either withdraw the notice of proposed termination and continue the protege firm's participation, or issue the notice of termination; and

(iv) The decision of the mentor firm regarding termination for cause, conforming with the requirements of this section, will be final and is not reviewable by DoD; and

(8) Additional terms and conditions as may be agreed upon by both parties.

(c) Mentor firms must send a copy of any termination notices to the Director, SADB, OUSD (AT&L), and the Defense Contract Management Command administrative contracting officer responsible for conducting the annual performance review, and, where funding is made available through a DoD program manager, must provide a copy to the program manager and to the contracting officer.

(d) Termination of a mentor-protege agreement will not impair the obligations of the mentor firm to perform pursuant to its contractual obligations under Government contracts and subcontracts. Termination of all or part of the mentor-protege agreement will not impair the obligations of the protege firm to perform pursuant to its contractual obligations under any contract awarded to the protege firm by the mentor firm.

(e) Only developmental assistance provided after DoD approval of the mentor-protege agreement may be reimbursed.

(f) The mentor-protege agreement may provide for the mentor firm to furnish any or all of the following types of developmental assistance:

(1) Assistance by mentor firm personnel in—

(i) General business management, including organizational management, financial management, and personnel management, marketing, business development, and overall business planning;

(ii) Engineering and technical matters such as production inventory control and quality assurance; and

(iii) Any other assistance designed to develop the capabilities of the protege firm under the developmental program.

(2) Award of subcontracts under DoD contracts or other contracts on a noncompetitive basis.

(3) Payment of progress payments for the performance of subcontracts by a protege firm in amounts as provided for in the subcontract; but in no event may any such progress payment exceed 100 percent of the costs incurred by the protege firm for the performance of the subcontract. Provision of progress payments by a mentor firm to an SDB protege firm at a rate other than the customary rate for SDBs must be implemented in accordance with FAR 32.504(c).

(4) Advance payments under such subcontracts. The mentor firm must administer advance payments in accordance with FAR subpart 32.4.

(5) Loans.

(6) Investment(s) in the protege firm in exchange for an ownership interest in the protege firm, not to exceed 10 percent of the total ownership interest. Investment may include, but are not limited to, cash, stock, and contribution in kind.

(7) Assistance that the mentor firm obtains for the protege firm from one or more of the following:

(i) Small Business Development Centers established pursuant to Section 21 of the Small Business Act (15 U.S.C. 648).

(ii) Entities providing procurement technical assistance pursuant to 10 U.S.C. Chapter 142 (Procurement Technical Assistance Centers).

(iii) Historically Black colleges and universities.

(iv) Minority institutions of higher education.

(g) A mentor firm may not require a protege firm to enter into a mentor-protege agreement as a condition for award of a contract by the mentor firm, including a subcontract under a DoD contract awarded to the mentor firm.

#### *I-108 Reimbursement procedures.*

(a) DoD will reimburse a mentor firm only for the cost of developmental assistance incurred by the mentor firm and provided to a protege firm under I-107(f)(1) and (7), and pursuant to an approved mentor-protege agreement. For agreements entered into prior to October 1, 1999, DoD will provide reimbursement only through a separate contract, cooperative agreement, or other agreement entered into between DoD and the mentor firm, awarded for the purpose of providing developmental assistance to one or more protege firms; a separately priced contract line item in a DoD contract; or inclusion of program costs in indirect expense pools. For agreements entered into on or after October 1, 1999, DoD will provide reimbursement only through a separately priced contract line item in a DoD contract; or through a separate contract if the Director, SADB, OUSD(AT&L), determines the unusual circumstances justify reimbursement using a separate contract. No other means for

the reimbursement of the costs of developmental assistance provided under I-107(f)(1) and (7) are authorized under the Program.

(b) Costs included in indirect expense pools will be reimbursed only to the extent that the costs are otherwise reasonable, allocable, and allowable.

(c) Assistance provided in the form of progress payments to SDB protege firms in excess of the customary progress payment rate for SDBs, will be reimbursed only if implemented in accordance with FAR 32.504(c).

(d) Assistance provided in the form of advance payments will be reimbursed only if the payments have been provided to a protege firm under subcontract terms and conditions similar to those in the clause at FAR 52.232.12, Advance Payments. Reimbursements of any advance payments will be made pursuant to the inclusion of the clause at FAR 52.232-7005, Reimbursement of Subcontractor Advance Payments—DoD Pilot Mentor-Protege Program, in appropriate contracts. In requesting reimbursement, the mentor firm agrees that the risk of any financial loss due to the failure or inability of a protege firm to repay any unliquidated advance payments will be the sole responsibility of the mentor firm.

(e) No other forms of developmental assistance are authorized for reimbursement under the Program.

(f) The total amount reimbursed to a mentor firm for costs of assistance furnished to a protege firm in a fiscal year may not exceed \$1,000,000 unless the Director, SADB, OUSD(AT&L), determines in writing that unusual circumstances justify reimbursement at a higher amount. Request for authority to reimburse in excess of \$1,000,000 must detail the unusual circumstances and must be endorsed and submitted by the program manager and the cognizant Director, SADB.

#### *I-109 Credit for unreimbursed developmental assistance costs.*

(a) Developmental assistance costs incurred by a mentor firm for providing assistance to a protege firm pursuant to an approved mentor-protege agreement, that have not been reimbursed through a separate contract, cooperative agreement, or other agreement entered into between DoD and the mentor firm, or through a separately priced contract line item added to a DoD contract, may be credited as if it were a subcontract award for determining the performance of the mentor firm in attaining an SDB subcontracting goal established under any contract containing a subcontracting plan pursuant to the clause at FAR 52.219-9, Small Business Subcontracting Plan.

(b) For crediting purposes only, costs that have been reimbursed through inclusion in indirect expense pools may also be credited as subcontract awards for determining the performance of the mentor firm in attaining an SDB subcontracting goal established under any contract containing a subcontracting plan pursuant to the clause at FAR 52.219-9. However, costs that have not

been reimbursed because they are not reasonable, allocable, or allowable under I-108(b), will not be recognized for crediting purposes.

(c) Other costs that are not eligible for reimbursement pursuant to I-108(a) may be recognized for credit only if requested, identified, and incorporated in an approved mentor-protege agreement.

(d) The amount of credit a mentor firm may receive for any such unreimbursed developmental assistance costs must be equal to—

(1) Four times the total amount of such costs attributable to assistance provided by small business development centers, historically Black colleges and universities, minority institutions, and procurement technical assistance centers.

(2) Three times the total amount of such costs attributable to assistance furnished by the mentor's employees.

(3) Two times the total amount of other such costs incurred by the mentor in carrying out the developmental assistance program.

(e) A mentor firm may receive credit toward the attainment of an SDB subcontracting goal for each subcontract awarded for a product or a service by the mentor firm to an entity that qualifies as a protege firm pursuant to I-104(a). With respect to a former SDB protege firm(s), a mentor may take credit for awards to such concern(s) that, except for its size would be a small business concern owned and controlled by socially and economically disadvantaged individuals, but only if—

(1) The size of such business concern is not more than two times the appropriate size standard;

(2) The business concern formerly had a mentor-protege agreement with such mentor firm that was not terminated for cause; and

(3) The credit is taken not later than October 1, 2005.

(f) Amounts credited toward the SDB goal(s) for unreimbursed costs under the Program must be separately identified from the amounts credited toward the goal resulting from the award of actual subcontracts to protege firms. The combination of the two must equal the mentor firm's overall accomplishment toward the SDB goal(s).

(g) Adjustments may be made to the amount of credit claimed under paragraphs (a) and (b) of this section if the Director, SADB, OUSD(AT&L), determines that—

(1) A mentor firm's performance in the attainment of its SDB subcontracting goals through actual subcontract awards declined from the prior fiscal year without justifiable cause; and

(2) Imposition of such a limitation on credit appears to be warranted to prevent abuse of this incentive for the mentor firm's participation in the Program.

(h) The mentor firm must be afforded the opportunity to explain the decline in SDB participation before imposition of any such limitation on credit. In making the final decision to impose a limitation on credit, the Director, SADB, OUSD(AT&L), must consider—

(1) The mentor firm's overall SDB participation rates (in terms of percentages of

subcontract awards and dollars awarded) as compared to the participation rates existing during the 2 fiscal years prior to the firm's admission to the Program;

(2) The mentor firm's aggregate prime contract awards during the prior 2 fiscal years and the total amount of subcontract awards under such contracts; and

(3) Such other information the mentor firm may wish to submit.

(i) The decision of the Director, SADB, OUSD(AT&L), regarding the imposition of a limitation on credit will be final.

(j) Any prospective limitation on credit imposed by the Director, SADB, OUSD(AT&L), must be expressed as a percentage of otherwise eligible credit, will apply beginning on a specific date in the future, and will continue until a date certain during the current fiscal year.

(k) Any retroactive limitation on credit imposed by the Director, SADB, OUSD(AT&L), must reflect the actual costs incurred for developmental assistance (not exceeding the maximum amount reimbursed).

(l) For purposes of calculating any incentives to be paid to be a mentor firm for exceeding an SDB subcontracting goal pursuant to the clause at FAR 52.219-26, Small Disadvantaged Business Participation Program—Incentive Subcontracting, incentives will be paid only if an SDB subcontracting goal has been exceeded as a result of actual subcontract awards to SDBs (i.e., excluding credit under paragraphs (a), (b), and (c) of this section).

(m) Developmental assistance costs that are incurred pursuant to an approved mentor-protege agreement, and have been charged to, but not reimbursed through, a separate contract, cooperative agreement, or other agreement entered into between DoD and the mentor firm, or through a separately priced contract line item added to a DoD contract, will not be otherwise reimbursed, as either a direct or indirect cost, under any other DoD contract, irrespective of whether the costs have been recognized for credit against SDB subcontracting goals.

(n) Developmental assistance provided under an approved mentor-protege agreement is distinct from, and must not duplicate, any effort that is the normal and expected product of the award and administration of the mentor firm's subcontracts. Costs associated with the latter must be accumulated and charged in accordance with the contractor's approved accounting practices; they are not considered developmental assistance costs eligible for either credit or reimbursement under the Program.

#### *I-110 Advance agreements on the treatment of developmental assistance costs.*

Pursuant to FAR 31.109, approved mentor firms seeking either reimbursement or credit are strongly encouraged to enter into an advance agreement with the contracting officer responsible for determining final indirect cost rates under FAR 42.705. The purpose of the advance agreement is to establish the accounting treatment of the costs of the developmental assistance pursuant to the mentor-protege agreement prior to the incurring of any costs by the

mentor firm. An advance agreement is an attempt by both the Government and the mentor firm to avoid possible subsequent dispute based on questions related to reasonableness, allocability, or allowability of the costs of developmental assistance under the Program. Absent an advance agreement, mentor firms are advised to establish the accounting treatment of such costs and address the need for any changes to their cost accounting practices that may result from the implementation of a mentor-protege agreement, prior to incurring any costs, and irrespective of whether costs will be reimbursed or credited.

#### *I-111 Reporting requirements.*

(a) Mentor firms must report on the progress made under active mentor-protege agreements semiannually for the periods ending March 31st and September 30th. The September 30th report must address the entire fiscal year. Reports are due 30 days after the close of each reporting period. The report must include—

(1) Data on performance under the mentor-protege agreement, including dollars obligated, expenditures, credit taken under the Program, SDB subcontract awards under DoD contracts, developmental assistance provided, impact of the agreement, and progress of the agreement (A recommended format and guidance for this submission are available via the Internet at [http://www.acq.osd.mil/sadbu/mentor\\_protege](http://www.acq.osd.mil/sadbu/mentor_protege)); and

(2) A copy of the SF 294, Subcontracting Report for Individual Contracts, for each contract where developmental assistance was credited, with a statement in Block 15 identifying—

(i) The amount of dollars credited to the SDB subcontract goal as a result of developmental assistance provided to protege firms under the Program; and

(ii) The number and dollar value of subcontracts awarded to the protege firm(s), broken out per protege.

(3) In addition to the reporting requirements of paragraph (a)(1) of this section, for commercial companies and companies participating in the DoD Test Program for Negotiation of Comprehensive Small Business Subcontracting Plans, indicate in Block 15 of the SF 295—

(i) The total dollars credited to the SDB goal as a result of developmental assistances provided to a protege firm(s) under the Program; and

(ii) The total dollar amount of subcontracts awarded to the protege firm(s), broken out per protege.

(b) The protege firm must report on progress made under the mentor-protege agreement annually by October 31st. The protege firm must concur with or rebut its mentor's report that covers the period ending September 30th and must provide data on the firm's employment, annual revenue, and annual participation in DoD contracts. The report is required annually during the protege firm's Program participation term and for 2 fiscal years after the expiration of the Program participation term.

(c) Progress reports must be submitted as follows:



(1) For agreements that provide credit toward SDB subcontracting goals for costs incurred under the Program, to the Director, SADB, OUSD (AT&L), and the Defense Contract Management Command (DCMC) administrative contracting officer.

(2) For agreements that provide for reimbursement of costs incurred under the Program, to the Director, SADB, OUSD (AT&L), the contracting officer, the DCMC administrative contracting officer, the program office, and the cognizant Director, SADB.

#### I-112 Agreement reviews.

The Defense Contract Management Command will conduct annual performance reviews of the progress and accomplishments realized under approved mentor-protégé agreements. These reviews must verify data provided on the semiannual reports and must provide information as to—

(a) Whether all costs reimbursed to the mentor firm under the agreement were reasonably incurred to furnish assistance to the protégé firm in accordance with the mentor-protégé agreement and applicable regulations and procedures;

(b) Whether the mentor firm and protégé firm accurately reported progress made by the protégé firm in employment, revenues, and participation in DoD contracts during the Program participation term and for 2 fiscal years following the expiration of the agreement; and

(c) The amount of reimbursement, if any, that the mentor firm is eligible to receive in the remaining Program participation term of the agreement.

[FR Doc. 00-2946 Filed 2-9-00; 8:45 am]

BILLING CODE 5000-04-M

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 679

[Docket No. 000119015-0015-01; I.D. 010500A]

RIN 0648-AM32

#### Fisheries of the Exclusive Economic Zone Off Alaska; Steller Sea Lion Protection Measures for the Pollock Fisheries Off Alaska; Correction

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Final rule; correction.

**SUMMARY:** This document contains corrections to the emergency interim rule to implement reasonable and prudent alternatives to avoid the likelihood that the pollock fisheries off Alaska will jeopardize the continued existence of the western population of Steller sea lions or adversely modify

their critical habitat that was published in the **Federal Register** on January 25, 2000.

**DATES:** Effective February 4, 2000.

**FOR FURTHER INFORMATION CONTACT:** Kent Lind, 907-586-7650.

**SUPPLEMENTARY INFORMATION:** An emergency interim rule was published in the **Federal Register** on January 25, 2000 (65 FR 3892), implementing reasonable and prudent alternatives to avoid the likelihood that the pollock fisheries off Alaska will jeopardize the continued existence of the western population of Steller sea lions or adversely modify their critical habitat.

#### Correction

#### PART 679—[CORRECTED]

On page 3902, in Table 20 to 50 CFR part 679, titled Steller Sea Lion Protection Areas in the Aleutian Islands Subarea:

In the entry for "Seguam Island", in the fifth column of the table, remove the Longitude "172 33.06 W", and add in its place "172 33.60 W".

Dated: February 3, 2000.

**Penelope D. Dalton,**

*Assistant Administrator for Fisheries,  
National Marine Fisheries Service.*

[FR Doc. 00-3004 Filed 2-4-00; 4:46 pm]

BILLING CODE 3510-22-F

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 679

[Docket No. 991223348-9348-01; I.D. 020700A]

#### Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Catching Pacific Cod for Processing by the Offshore Component in the Western Regulatory Area of the Gulf of Alaska

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Closure.

**SUMMARY:** NMFS is prohibiting directed fishing for Pacific cod by vessels catching Pacific cod for processing by the offshore component in the Western Regulatory Area of the Gulf of Alaska (GOA). This action is necessary to prevent exceeding the interim amount of the Pacific cod total allowable catch (TAC) apportioned to vessels catching Pacific cod for processing by the

offshore component of the Western Regulatory Area of the GOA.

**DATES:** Effective 1200 hrs, Alaska local time (A.l.t.), February 7, 2000, until 2400 hrs, A.l.t., December 31, 2000.

**FOR FURTHER INFORMATION CONTACT:** Andrew Smoker, 907-586-7228.

**SUPPLEMENTARY INFORMATION:** NMFS manages the groundfish fishery in the GOA exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679.

In accordance with § 679.20(c)(2)(i), the interim Pacific cod TAC apportioned to vessels catching Pacific cod for processing by the offshore component in the Western Regulatory Area was established as 473 metric tons (mt), by the Interim 2000 Harvest Specifications of Groundfish for the GOA (65 FR 65, January 3, 2000).

In accordance with § 679.20(d)(1)(i), the Administrator, Alaska Region, NMFS (Regional Administrator), has determined that the interim amount of the Pacific cod TAC apportioned to vessels catching Pacific cod for processing by the offshore component of the Western Regulatory Area of the GOA will be reached. Therefore, the Regional Administrator is establishing a directed fishing allowance of 450 mt, and is setting aside the remaining 23 mt as bycatch to support other anticipated groundfish fisheries. In accordance with § 679.20(d)(1)(iii), the Regional Administrator finds that this directed fishing allowance will soon be reached. Consequently, NMFS is prohibiting directed fishing for Pacific cod by vessels catching Pacific cod for processing by the offshore component in the Western Regulatory Area of the GOA.

Maximum retainable bycatch amounts may be found in the regulations at § 679.20(e) and (f).

#### Classification

This action responds to the interim TAC limitations and other restrictions on the fisheries established in the interim 2000 harvest specifications for groundfish in the GOA. It must be implemented immediately to prevent overharvesting the interim amount of the Pacific cod TAC apportioned to vessels catching Pacific cod for processing by the offshore component in the Western Regulatory Area of the