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December 20, 2016

Defense Acquisition Regulations System
Attn: Mr. Thomas Ruckdaschel
OUSD(AT&L) DPAP/DARS
Room 3B941
3060 Defense Pentagon
Washington, DC 20301-3060

Subject: Defense Federal Acquisition Regulation Supplement (DFARS) Case 2015-D035,
Proposed Rule, "Use of the Government Property Clause," dated October 21, 2016.

Dear Mr. Ruckdaschel:

On behalf of the more than 1,600 member companies and the nearly 90,000 individual members that comprise the National Defense Industrial Association (NDIA), I offer the following comments on the subject proposed rule:

1. **DFARS 245.107 should be left as is and further training should be provided to Contracting Officers (COs) on use of the government property clause.** COs should rely upon their knowledge, skills, and expertise to determine whether or not Federal Acquisition Regulation (FAR) 52.245-1 (the "government property clause") should be added based on the type of property that is being repaired, maintained, or calibrated, and the cost of the property. If the Department has identified a skill deficiency in that area, it should develop appropriate training for its contracting workforce, rather than require a blanket prescription that fails to incorporate materiality.
2. **The proposed rule would adversely impact small business participation in repair, maintenance, and calibration activities.** Small businesses would be required to implement costly property systems to comply with the government property clause and associated DFARS clauses invoked by its use.
3. **The Department should perform further analysis to ensure that this proposal is cost effective.** The government should ensure that the cost savings from greater tracking of government property included in contracts that meet the simplified acquisition threshold outweighs the increased costs for repairs and possible contracting delays this requirement would cause.

I hope that these comments are of value to you in modifying the proposed rule. Feel free to contact me at azemek@ndia.org or (703) 247-2595 if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Alex Zemek". The signature is written in a cursive, flowing style.

Alexander F. Zemek
Vice President for Policy