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## **SUBPART 226.1--INDIAN INCENTIVE PROGRAM**

*(Revised June 25, 2013)*

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### **226.103 Procedures.**

Follow the procedures at [PGI 226.103 \(DFARS/PGI view\)](#) when submitting a request for funding of an Indian incentive.

### **226.104 Contract clause.**

Use the clause at [252.226-7001](#), Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items, that are for supplies or services exceeding \$500,000 in value.

## **subpart 226.3**

*(Removed October 14, 2014)*

## **SUBPART 226.70--RESERVED**

*(December 9, 2005)*

## **SUBPART 226.71--PREFERENCE FOR LOCAL AND SMALL BUSINESSES**

*(REVISED MARCH 14, 2002)*

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### **226.7100 Scope of subpart.**

This subpart implements Section 2912 of the Fiscal Year 1994 Defense Authorization Act (Pub. L. 103-160) and Section 817 of the Fiscal Year 1995 Defense Authorization Act (Pub. L. 103-337).

### **226.7101 Definition.**

“Vicinity,” as used in this subpart, means the county or counties in which the military installation to be closed or realigned is located and all adjacent counties, unless otherwise defined by the agency head.

### **226.7102 Policy.**

Businesses located in the vicinity of a military installation that is being closed or realigned under a base closure law, including 10 U.S.C. 2687, and small and small disadvantaged businesses shall be provided maximum practicable opportunity to participate in acquisitions that support the closure or realignment, including acquisitions for environmental restoration and mitigation.

### **226.7103 Procedure.**

In considering acquisitions for award through the section 8(a) program (Subpart [219.8](#) and FAR Subpart 19.8) or in making set-aside decisions under Subpart [219.5](#) and FAR Subpart 19.5 for acquisitions in support of a base closure or realignment, the contracting officer shall—

(a) Determine whether there is a reasonable expectation that offers will be received from responsible business concerns located in the vicinity of the military installation that is being closed or realigned.

(b) If offers can not be expected from business concerns in the vicinity, proceed with section 8(a) or set-aside consideration as otherwise indicated in Part 219 and FAR Part 19.

(c) If offers can be expected from business concerns in the vicinity—

(1) Consider section 8(a) only if at least one eligible 8(a) contractor is located in the vicinity.

(2) Set aside the acquisition for small business only if at least one of the expected offers is from a small business located in the vicinity.

### **226.7104 Other considerations.**

When planning for contracts for services related to base closure activities at a military installation affected by a closure or realignment under a base closure law, contracting officers shall consider including, as a factor in source selection, the extent to which offerors specifically identify and commit, in their proposals, to a plan to hire residents of the vicinity of the military installation that is being closed or realigned.

## **SUBPART 226.72**

*(Removed December 9, 2005)*

