

239.7401 Definitions.

(S-90) Leasing/provisioning of telecommunications circuits (commoditized bandwidth) is covered under the FAR 2.101 Definitions, Commercial item definition, paragraph (1) in that it is a utility customarily used by the general public or by non-governmental entities for purposes other than governmental purposes, and has been sold, leased, or licensed to the general public; or, has been offered for sale, lease, or license to the general public. Thus, the FAR definition of a commercially available off-the-shelf (COTS) item would also cover leasing/provisioning of telecommunications circuits (commoditized bandwidth).

(S-91) Unless there is an associated service offered with the telecommunications and that associated service is billed separately, the leasing/provisioning of the telecommunications circuit (commoditized bandwidth) is not a "service contract." IAW FAR 22.001, a "service contract means any Government contract, or subcontract thereunder, the principal purpose of which is to furnish services in the United States through the use of service employees."

Parent topic: SUBPART 239.74 —TELECOMMUNICATIONS SERVICES