**DFARS Case 2024-D019**

**Architect and Engineering Service Fees**

**Final Rule**

**PART 236—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS**

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**SUBPART 236.6--ARCHITECT-ENGINEER SERVICES**

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**236.606 Negotiations.**

**236.606-70 Statutory fee limitation.**

(a) **[The statutes at]** 10 U.S.C. 7540, 8612, and 9540**[, for the Departments of the Army, Navy, and Air Force, respectively,]** limit the contract price (or fee) for architect-engineer services for the preparation of designs, plans, drawings, and specifications to **[10]**~~six~~ percent of the project's estimated construction cost.

(b) The **[10]**~~six~~ percent limit also applies to contract modifications, including modifications involving—

(1) Work not initially included in the contract~~.~~**[; apply]** ~~Apply~~ the **[10]**~~six~~ percent limit to the revised total estimated construction cost~~.~~**[; and]**

(2) Redesign **[work; apply]**~~. Apply~~ the **[10]**~~six~~ percent limit ~~as follows~~**[by]**—

(i) ~~Add~~**[Adding]** the estimated construction cost of the redesign features to the original estimated construction cost;

(ii) ~~Add~~**[Adding]** the contract cost for the original design to the contract cost for redesign; and

(iii) ~~Divide~~**[Dividing]** the total contract design cost by the total estimated construction cost. The resulting percentage may not exceed the **[10]**~~six~~ percent statutory limitation.

(c) The **[10]**~~six~~ percent limit applies only to that portion of the contract (or modification) price attributable to the preparation of designs, plans, drawings, and specifications. If a contract or modification also includes other services, the part of the price attributable to the other services is not subject to the **[10]**~~six~~ percent limit.

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