



**U.S. Department
of Transportation**

1200 New Jersey Ave., S.E.
Washington, DC 20590

Office of the Secretary
of Transportation

SUBJECT: Class Deviation No. 2026-06 from the Federal Acquisition Regulation for FAR Part 27 in Support of Executive Order 14275 on Restoring Common Sense to Federal Procurement

FROM: Chrishaun Jones
Senior Procurement Executive
Office of the Senior Procurement Executive

TO: Department of Transportation Chiefs of the Contracting Offices

- I. Purpose:** This class deviation (CD) is issued under Federal Acquisition Regulation (FAR) part 1 and Transportation Acquisition Regulation (TAR) part 1201 and authorizes a class deviation to FAR part 27 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 27.
- II. Effective Date:** Immediately.
- III. Background:** On April 15, 2025, [Executive Order \(E.O.\) 14275 on Restoring Common Sense to Federal Procurement](#) was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."

The FAR is being updated to:

- Remove language that is not required by statute
- Remove duplicative or outdated language
- Clarify or provide more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

FAR part 27, Patents, Data, and Copyrights, governs intellectual property rights in government contracts, explaining how parties acquire rights, how rights are licensed or shared, and how to protect both government and contractor interests. It has been updated with important plain language updates, enhanced clarity, and improved readability.

Statutory requirements retained in the RFO FAR part 27 model deviation include, but may not be limited to, the following:

- 10 U.S.C. § 3793, Copyrights, Patents, Designs
- 15 U.S.C. § 638, Research and Development
- 17 U.S.C. § 101 et. seq., Copyrights
- 18 U.S.C. § 798, Disclosure of Classified Information
- 28 U.S.C. § 1498, Patent and Copyright Cases
- 35 U.S.C. § 200 et. seq., Patent Rights in Inventions Made with Federal Assistance
- 41 U.S.C. § 2302, Rights in Technical Data

The following table is not an exhaustive list but includes notable updates to FAR part 27.

Change	Description
Retained	• Section 27.000, “Scope of Part” is retained with a minor plain language update. • Section 27.001, “Definition” is unchanged. • Subpart 27.1, “General” is retained and streamlined. • Subpart 27.2, “Patents and Copyrights” is streamlined and continues to provide guidance regarding: ○ Patent and copyright infringement liability ○ Royalties ○ Security requirements for patent applications containing classified subject matter • Section 27.202, “Royalties” has been significantly streamlined by reserving all procedural subsections (27.202-1 thru 27.202-4) and retaining only subsection 27.202-5, “Solicitation Provisions and contract clause”. Note, this section no longer references provision 52.227-7, Patents—Notice of Government Licensee, as the provision has been deleted. • Subpart 27.3, “Patent Rights under Government Contracts” is retained and streamlined. Section 27.304, “Procedures” is retained with minimal edits. This section provides critical guidance on application of the patent clauses. • Subpart 27.4, “Rights in Data and Copyrights” is streamlined and retained. This subpart includes intellectual property rights anchored in law and provides important guidance to contracting officers on addressing these issues within a federal contract. ○ Section 27.405, “Other Data Rights Provisions” has been revised and the approach for special works (27.405-1) and existing works (27.405-2) has been fundamentally altered. The previous version prescribed the use of specific contract clauses (52.227-17 and 52.227-18). The revised section instead provides descriptive guidance, instructing that contracts "must specifically address the Government's rights" and that agencies are "authorized to specially negotiate" terms.

	○ Section 27.407, “Rights to Technical Data in Successful Proposals” has been retained and completely updated. The former text prescribed the use of the clause at 52.227-23, “Rights to Proposal Data (Technical)”. This clause is removed and the updated section consists of a single, broader sentence that highlights the Government’s discretion. ● The following provisions and clauses were retained with no changes in text: ○ 52.227-1 (Clause), Authorization and Consent. ○ 52.227-2 (Clause), Notice and Assistance Regarding Patent and Copyright Infringement ○ 52.227-3 (Clause), Patent Indemnity ○ 52.227-4 (Clause), Patent Indemnity—Construction Contracts ○ 52.227-5 (Clause), Waiver of Indemnity ○ 52.227-6 (Provision), Royalty Information ○ 52.227-8, remains “Reserved” ○ 52.227-9 (Clause), Refund of Royalties ○ 52.227-10 (Clause), Filing of Patent Applications—Classified Subject Matter ○ 52.227-11 (Clause), Patent Rights—Ownership by the Contractor ○ 52.227-12, remains “Reserved” ○ 52.227-13 (Clause), Patent Rights—Ownership by the Government ○ 52.227-14 (Clause), Rights in Data—General ○ 52.227-15 (Provision), Representation of Limited Rights Data and Restricted Computer Software ○ 52.227-16 (Clause), Additional Data Requirements ○ 52.227-17 (Clause), Rights in Data—Special Works ○ 52.227-20 (Clause), Rights in Data—SBIR Program ○ 52.227-21 (Clause), Technical Data Declaration, Revision, and Withholding of Payment—Major Systems ○ 52.227-22 (Clause), Major System—Minimum Rights
--	--

Moved	• The FAR Companion is expected to include best practice information on the following moved content that is not statutorily required: ○ Section 27.102, “General Guidance” ○ Subsection 27.202-1, “Reporting of Royalties” ○ Section 27.204, “Patented Technology Under Trade Agreements” ○ Section 27.305, “Administration of Patent Rights Clauses”, including: ▪ 27.305-3, “Securing invention rights acquired by the Government” ▪ 27.305-4, “Protection of invention disclosures” ○ Section 27.406, “Acquisition of Data” ○ Section 27.408, “Cosponsored Research and Development Activities” ○ Subpart 27.5, “Foreign License and Technical Assistance Agreements” • The FAR Companion is expected to include best practice information on the following retained content: ○ Subpart 27.4, treatment of “Rights in Data and Copyrights”
Removed	• Section 27.302, “Policy”, which included unnecessary lengthy detail of the Government's comprehensive policy and objectives for patent rights and title under contracts, has been removed as it is not statutorily required. • Subsection 27.304-1(a), “Status as small business concern or nonprofit organization”, has been removed. This content is duplicative of FAR part 19. • Section 27.402, “Policy”, which explained the Government's need for data and the importance of balancing its needs with contractors' proprietary interests, has been removed as it is not statutorily required. • Paragraphs (a) and (c) of Section 27.406-1, “General”, are removed, as it is not statutorily required. • The following provision and clauses were removed: ○ 52.227-7 (Provision), Patents—Notice of Government Licensee ○ 52.227-18 (Clause), Rights in Data—Existing Works ○ 52.227-19 (Clause), Commercial Computer Software License ○ 52.227-23 (Clause), Rights to Proposal Data (Technical)

IV. Required Actions: All DOT Operating Administrations (OAs), the Office of the Secretary of Transportation (OST), and the Office of the Inspector General (OIG), excluding the Federal Aviation Administration (FAA) per RFO TAR 1201.104(d) shall follow the [RFO FAR part 27 model deviation text](#) instead of FAR part 27 as codified at 48 CFR chapter 1. The Council’s RFO FAR part 27 model deviation text is available at [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul)

and is incorporated by reference into this CD. A line-out version of the changes may also be found [here](#) for reference.

Heads of the Contracting Activities (HCAs) must ensure this deviation is disseminated to the acquisition workforce and ensure compliance with the requirements in the revised FAR part 27 guidance.

- V. Applicability:** This CD applies to all DOT OAs, OST, and OIG, excluding the FAA in accordance with TAR 1201.104(d).
- VI. Expiration Date:** This CD will remain in effect until it is incorporated into the FAR or is otherwise rescinded, whichever occurs first.
- VII. Point of Contact:** Questions or comments regarding this deviation may be directed to DOTAcquisitionPolicy@dot.gov.