

MEMORANDUM

Date: August 8, 2025 Refer To: TUEC

To: Tom Holland

Deputy Commissioner

for Finance and Management

From: Adam Goldstein

Associate Commissioner for Acquisition and Grants

Subject: Request for Class Deviation from the Federal Acquisition Regulation (FAR) Parts 35,

36, and 50--DECISION

ISSUE

We request approval of a class deviation from FAR parts 35, 36, and 50 for purposes of implementing the Federal Acquisition Regulatory Council's model deviation text to these parts.

BACKGROUND

Executive Order (E.O.) 14275, *Restoring Common Sense to Federal Procurement*, was signed on April 15, 2025. (See Attachment (a).) 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 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- Remove duplicative or outdated language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. (See <u>Attachment (b)</u>.) This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

SUMMARY OF CHANGES

FAR Part 35, Research and Development Contracting—

The RFO deviation for this part moves away from a prescriptive, specialized regulatory framework for research and development (R&D) contracting toward a streamlined structure that empowers acquisition professionals and makes the federal R&D environment more attractive for innovative commercial firms.

The part is streamlined from 25 to 20 components (subparts, sections, subsections) that are reorganized in a more logical flow of the procurement lifecycle. This significant update greatly improves the usability of the content.

Statutory requirements retained in the <u>RFO FAR part 35</u> model deviation include, but are not limited to, the following:

- 31 U.S.C. § 6303, Using Procurement Contracts
- 10 U.S.C. § 4126, Use of Federally Funded Research and Development Centers

See <u>Attachment (c)</u> for a table summarizing various key FAR part 35 retentions and changes because of the RFO part 35 model text deviation.

FAR Part 36, Construction and Architect-Engineer Contracts—

This part, anchored in federal appropriations law, has undergone a comprehensive revision that includes a complete structural reorganization to align with the acquisition lifecycle, enhanced clarity, and a strategic consolidation of policies coupled with the elimination of outdated requirements. In addition, multiple clauses and provisions were removed reflecting an almost 20% reduction in clauses and provisions.

Statutory requirements retained in the <u>RFO FAR part 36</u> model deviation include, but are not limited to, the following:

- 10 U.S.C. § 3241 and 41 U.S.C. § 3309, Design-Build Selection Procedures
- 15 U.S.C. § 644(w), Administration of Construction Change Orders
- Pub. L. 92-582, Brooks Act of 1972
- Pub. L. 103-355, Federal Acquisition Streamlining Act of 1994
- Pub. L. 108-136, Services Acquisition Reform Act of 2003

See <u>Attachment (d)</u> for a table summarizing various key FAR part 36 retentions and changes because of the RFO part 36 model text deviation.

FAR Part 50, Extraordinary Contractual Actions and the SAFETY Act—

This FAR part has been updated for clarity and practical use.

Statutory requirements and presidential directives retained in the <u>RFO FAR part 50</u> model deviation include, but may not be limited to, the following:

- 50 U.S.C. § 1431 et seq, National Defense Contracts
- 6 U.S.C. § 441 eq seq, Support Anti-Terrorism by Fostering Effective Technologies
- E.O. 10789, Contracting Authority in Connection With National-Defense Functions

See <u>Attachment (e)</u> for a table summarizing various key FAR part 50 retentions and changes because of the RFO part 50 model text deviation.

RECOMMENDATION

FAR 1.404(a) authorizes the approval of class deviations by the agency head or his or her designee. The Commissioner delegated this authority to grant deviation requests to the Deputy Commissioner for the Office of Finance and Management.

I recommend approval of the class deviations under the authority of FAR 1.404(a), E.O. 14275, and OMB Memorandum M-25-26.

DECISION

Concurrence of the class deviation is:	
Concurred [] Opposed []	
Bruce Starr Assistant Deputy Commissioner, Procurement for Finance and Management	Date
Approval of the class deviation is:	
Approved [X] Visapproved []	9/5/25
Thomas J. Holland	Date
Deputy Commissioner	
for Finance and Management	

Attachments

(a) <u>E.O 14275</u>



E.O. 14275.pdf

(b) OMB Memorandum M-25-26



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(c) Table – Summary of RFO Part 35 Deviation Changes



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(d) <u>Table – Summary of RFO Part 36 Deviation Changes</u>



Table - Summary of RFO Part 36 Deviatic

(e) <u>Table – Summary of RFO Part 50 Deviation Changes</u>



Table - Summary of RFO Part 50 Deviatic