

## **U.S. Department** of Transportation

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

Office of the Secretary of Transportation

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**SUBJECT:** Class Deviation No. 2026-01 from the Federal Acquisition Regulation for FAR

Part 7 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 7 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 7.
- 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- Remove duplicative or outdated language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 7, Acquisition Planning, is streamlined to emphasize flexibility and move away from prescriptive checklists in favor of a dynamic planning process.

The deviation recognizes the distinctions between task and delivery orders and award of new contracts, requiring appropriate acquisition planning for each. The placing of task and delivery orders is a faster and more streamlined process with significantly less pre-award actions required

than in awarding new contracts. The level of detail should vary with the size and complexity of the acquisition.

The deviation to part 7 also picks up on requirements previously found in FAR 10 to ensure small business concerns are appropriately considered. Requirements for bundling, substantial bundling, and consolidation are unified to ensure common consideration of any potential negative impact on small business.

While there is no longer a requirement for acquisition plans with specific elements, there should still be forethought in what is being procured. Having a plan is key to ensuring the guiding principles of the acquisition system are met. By emphasizing early engagement, this change creates more opportunities to foster innovation and achieve successful results, reflecting a shift toward a more agile and strategic approach.

Statutory requirements and executive requirements retained in the RFO FAR part 7 model deviation include, but may not be limited to, the following:

- 41 U.S.C. § 3301 et seq, Planning and Solicitation
- 10 U.S.C. § 3453, Preference for Commercial Products and Commercial Services
- 15 U.S.C. § 657q, Consolidation of Contract Requirements
- 15 U.S.C. § 644, Awards or Contracts
- Pub. L. 115-254, Sec 555, Cost-Effectiveness Analysis of Equipment Rental
- OFPP Policy Letter 11-01, Performance of Inherently Governmental and Critical Functions

The following table is not an exhaustive list but includes notable updates to FAR part 7.

Change	Description					
New/Retained/	• <u>Updated</u> : In section 7.000, " <b>Scope of Part</b> ", para (a) is revised from					
Updated	"Developing acquisition plans" to "Acquisition planning and developing acquisition plans". This broadens the scope to encompass <b>the entire</b>					
	planning process, not just the act of creating a document.					
	• Retained: The definitions at 7.101, " <b>Definitions</b> ", are retained and most					
	have been simplified to improve clarity.					
	• New: Section 7.102, is renamed " <b>Requirements</b> " and establishes the					
	fundamental requirement for acquisition planning in all acquisitions. It					
	mandates that agencies establish procedures for determining whether a					
	written or oral plan is needed and lists high-level outcomes that					
	planning must promote:					
	<ul> <li>Acquisition of commercial products or services</li> </ul>					
	<ul> <li>Full and open competition</li> </ul>					
	<ul> <li>Selection of appropriate contract type</li> </ul>					
	<ul> <li>Use of existing contracts</li> </ul>					
	Note - Although 7.102 gives agencies discretion in establishing					
	procedures for written or oral plans, 7.102(d) retains the requirement to					
	use a written plan for cost reimbursement and other high-risk contracts.					

- <u>Updated</u>: Section 7.103, "**Agency-head Responsibilities**", is updated from a long list of specific tasks to a list of high-level responsibilities, such as creating streamlined procedures for different acquisition types (e.g., orders, commercial products and services), establishing criteria for high-risk contracts, and ensuring small business opportunities are considered.
- <u>Updated</u>: Section 7.104, "General Procedures", is updated to highlight that early planning can create opportunities to structure the procurement approach in a way that promotes competition and innovation.
  - Practitioners should review the FAR Companion for best practices for innovative acquisition planning techniques.
- <u>Updated</u>: Section 7.107, "Additional Requirements for Acquisitions Involving Consolidation, Bundling, or Substantial Bundling", is updated to streamline and standardize the analysis, determination, and notification requirements there are no longer separate requirements for each, with the goal of ensuring this important step in the acquisition process is understood by the workforce.
  - 7.107-1(a) retains the requirement for market research before conducting an acquisition that consolidates or bundles requirements.
- <u>Updated</u>: Section 7.108, "Additional Requirements for Teleworking", is updated to reflect modern terminology and simplified language. For example, the term "telecommuting" has been updated to "teleworking".
- <u>Updated</u>: Section 7.403, formerly titled "General Services Administration Assistance and OMB Guidance," has been **retitled**"**OMB Guidance**". Paragraphs (a) and (b) of the former section, which described the types of assistance available from GSA, have been removed. The content of the former paragraph (c), which provides references to relevant OMB circulars, has been retained and updated with new hyperlinks. The removal of the GSA assistance information streamlines the text by deleting content that is informational rather than regulatory. The process agencies use to perform a **lease-versus-purchase** analysis remains intact in clause 52.207-5.
- <u>Retained</u>: Subpart 7.5, "**Inherently Governmental Functions**", is retained and revised for clarity and readability, primarily through plainlanguage edits and structural reorganization.
- Retained clauses and provisions, with no changes in text:
  - o 52.207-4 Economic Purchase Quantity—Supplies
  - o 52.207-5 Option To Purchase Equipment
  - 52.207-6 Solicitation of Offers from Small Business Concerns and Small Business Teaming Arrangements or Joint Ventures (Multiple-Award Contracts)

## Section 7.105, "Contents of Written Acquisition Plans" is removed and marked "Reserved." Relevant content will be reflected in the FAR Companion. Section 7.200, "Scope of Subpart" regarding economic quantities of purchases, has been deleted and marked "Reserved" as it is unnecessary. Section 7.204, "Responsibilities of Contracting Officers" has been deleted as the content is covered by FAR 52.207-4. Subpart 7.3, "Contractor Versus Government Performance", and its underlying sections have been deleted and marked "Reserved" as Congress has consistently placed a statutory hold on A-76 competitions since 2008. The following clause and provisions are removed: 52.207-1 Notice of Standard Competition

52.207-2 Notice of Streamlined Competition 52.207-3 Right of First Refusal of Employment

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 <a href="RFO FAR part 7">RFO FAR part 7</a> model deviation text instead of FAR part 7 as codified at 48 CFR chapter 1. The Council's RFO FAR part 7 model deviation text is available at <a href="Acquisition.gov/far-overhaul">Acquisition.gov/far-overhaul</a> and is incorporated by reference into this CD. A line-out version of the changes may also be found <a href="here">here</a> 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 7 guidance.

For new solicitations or contracts, when using any provisions or clauses that have been revised, utilize the RFO model deviation language at RFO FAR part 52.

For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.

Contracting activities must review templates and related standard operating procedures to align with this class deviation and remove unnecessary processes and steps.

- **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.