



U.S. Department of Housing and Urban Development
Washington, D.C. 20410

CHIEF PROCUREMENT OFFICER

Class Deviation for the Federal Acquisition Regulation (FAR) Part 17 in Support of Executive Order 14275, Restoring Common Sense to Federal Procurement

- 1. Purpose.** The HUD Chief Procurement Officer (CPO) is issuing this class deviation to Federal Acquisition Regulation (FAR) Part 17 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 17.
- 2. Background.** [Executive Order \(E.O.\) 14275, Restoring Common Sense to Federal Procurement](#), signed April 15, 2025, mandates a comprehensive review and simplification of the FAR.

The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

- 3. Summary of Changes.** FAR Part 17, Special Contracting Methods, has been streamlined. The revisions can be characterized by three overarching themes: organizing information in a way that's easier to understand and use; combining related topics and removing repeated information; and making the language clearer through simpler sentences, active voice, and better formatting.

Statutory requirements retained in the RFO FAR part 17 model deviation include, but may not be limited to, the following:

- 41 U.S.C. § 3903 and 10 U.S.C. § 3501, Multiyear Contracts
- 31 U.S.C. § 1341, Limitations on Expending and Obligating Amounts
- 31 U.S.C. § 1535, The Economy Act
- Pub. L. 110-417 Sec. 865, Preventing Abuse of Interagency Contracts
- Pub. L. 110-181 Sec. 801, Internal Controls for Procurements on Behalf of the Department of Defense by Certain Non-defense Agencies

Change	Description
Retained	<ul style="list-style-type: none"> ● Section 17.000 “Scope of Part”, is retained and expanded to provide a more complete list of the special contracting methods covered within the part. ● Subpart 17.1 “Multiyear Contracting”, is retained and restructured. This reorganization involves the deletion of some sections, the consolidation of others, and the creation of new sections to house relocated and revised content. ● The “Definitions” for multiyear contracting are moved to section 17.102, and all are retained with some plain language or clarifying updates. ● The “Policy” for multiyear contracting is moved to subsection 17.103-1 and revised to include two statutory requirements for DoD when considering entering into a multiyear contract for supplies: <ul style="list-style-type: none"> ○ (b)(6): The contract must promote national security of the United States. ○ (b)(7): For contracts valued at \$500,000,000 or more, the Secretary must certify that specific conditions outlined in 10 U.S.C. § 3501 will be met. ● Subpart 17.2 “Options”, is retained and restructured. This reorganization involves the consolidation of some sections, and the creation of new sections to house relocated and revised content. ● Subpart 17.3 remains reserved. ● Subpart 17.5 “Interagency Acquisitions”, is updated with plain language revisions and formatting improvements for clarity. ● Subparts 17.6 and 17.7 are reordered, creating a more logical flow by placing all content concerning interagency acquisitions in sequential order. <ul style="list-style-type: none"> ○ “Interagency Acquisitions: Acquisitions by Nondefense Agencies on Behalf of the Department of Defense” <ul style="list-style-type: none"> ■ Previously at subpart 17.7, now at 17.6 ○ “Management and Operating Contracts” <ul style="list-style-type: none"> ■ Previously at subpart 17.6, now at 17.7 ● Subparts 17.1 “Multiyear Contracting”, 17.2 “Options”, 17.7 “Management and Operating Contracts”, and 17.8 “Reverse Auctions” are reorganized to follow the stages of the acquisition lifecycle <ul style="list-style-type: none"> ■ Presolicitation ■ Evaluation and Award ■ Postaward ● All clauses and provisions prescribed in this part are retained. <ul style="list-style-type: none"> ○ The following provisions have been updated to reflect current cross-references: <ul style="list-style-type: none"> ■ 52.217-4, Evaluation of Options Exercised at Time of Contract Award ■ 52.217-5, Evaluation of Options ○ Please note that the fill-ins at 52.217-8 and 52.217-9 remain the same and must still be completed by the acquisition team.

Removed	<ul style="list-style-type: none"> ● Content from previous section 17.105-2 about the objectives and benefits of multiyear contracting is removed and is expected to be moved to the FAR Companion. ● Content from previous sections 17.203 and 17.204 reflecting best practices for options in solicitations and contracts is expected to be moved to the FAR Companion. ● Previous sections 17.107 “Options” and 17.205 “Documentation” are removed as the content was redundant and unnecessary. ● Content previously at section 17.207 “Exercise of Options” is streamlined and moved to 17.204-1. ● Subpart 17.4 “Leader Company Contracting”, has been significantly streamlined. The new subpart retains an explanation of the technique but the detailed procedures and best practices for this technique is expected to be moved to the FAR Companion. ● Criteria for identifying management and operating contracts, previously at section 17.604 “Identifying management and operating contracts”, is removed as it is unnecessary. ● Content from previous section 17.802(c) for best practices for reverse auctions is expected to be moved to the FAR Companion.
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This table is not an exhaustive list.

4. Instructions.

- The HUD acquisition workforce must follow the RFO part 17 and corresponding part 52 model deviation text instead of FAR part 17 and 52 as codified at 48 CFR Chapter 1. The Council’s RFO part 40 model deviation text is available at [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul), and is incorporated into this class deviation.
- 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.
- Review templates and related standard operating procedures to align with this deviation and remove unnecessary processes and steps.

5. Applicability. This class deviation applies to all HUD procurements.

6. Authority. This class deviation is issued under the authority of EO 14275, [OMB Memo M-25-26](#), 48 CFR 1.4, and RFO FAR 1.304.

7. Effective Date. This class deviation is effective November 03, 2025 and remains in effect until rescinded or incorporated into the FAR.

8. **Points of Contact.** Questions regarding this class deviation may be directed to Mrs. Tabitha Painson-McLeod, Sr. Procurement Analyst, Procurement Policy and Systems Division, at 202-402-5680 or Tabitha.M.Painson-McLeod@hud.gov.

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