

MEMORANDUM FOR: Heads of Contracting Activities

FROM: Paul Courtney

Chief Procurement Officer

SUBJECT: FAR Class Deviation (Number 26-07) for FAR Part 41 in Support

of Executive Order 14275, Restoring Common Sense to Federal

Procurement

1. **Purpose.** This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 41 for purposes of implementing the FAR Council's model deviation to FAR part 41.

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 Federal Acquisition Regulation.

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 41, Acquisition of Utility Services, has been retained, streamlined, and improved for clarity. All subparts have been retained. Plain language edits or other updates have been made throughout the part to remove unnecessary information or otherwise clarify the content. All clauses and provisions are retained.

Notably, the definition of "utility service" is updated. Services such as broadband internet and information technology services, which were nascent or nonexistent when the original regulation was drafted, are now explicitly carved out. This prevents agencies from incorrectly applying utility acquisition procedures. This change reduces the risk of improper sole-source justifications and promotes full and open competition in those dynamic markets.

Statutory requirements retained in the RFO FAR part 41 model deviation include, but may not be limited to, the following:

- 40 U.S.C. § 501, Services for Executive Agencies
- 42 U.S.C. § 2204, Electric Utility Contracts
- 42 U.S.C. §§ 7251 et. seq., Department of Energy Organization Act
- 42 U.S.C. § 8287, Authority to Enter into Contracts
- **4. Instructions.** DHS contracting officers must follow the RFO Part 41 model deviation text instead of FAR Part 41 as codified at 48 CFR Chapter 1. The Council's RFO Part 41 model deviation text is available at Acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-41, and is incorporated into this class deviation.
- **5. Applicability.** This class deviation applies to all DHS 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 3, 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 Acquisition Policy and Legislation Branch at Acquisition.Policy@hq.dhs.gov.