



FAR CLASS DEVIATION 2025-12

MEMORANDUM TO: Heads of the Contracting Activities (HCAs)

FROM: Jennifer D. Johnson *Jennifer Johnson*
Jennifer Johnson (Sep 23, 2025 15:04:08 EDT)
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Office of Acquisitions (OA)
Office of Assistant Secretary for Financial Resources (ASFR)
Department of Health and Human Services (HHS)

SUBJECT: Federal Acquisition Regulation (FAR) Class Deviation (CD) No. 2025-12 in Support of Executive Order (EO) 14275, “Restoring Common Sense to Federal Procurement;” Deviation to FAR Parts 3, 17, 27, 45, and Applicable Portions of 52.

1. EFFECTIVE DATE:

November 3, 2025

2. EXPIRATION DATE:

This CD remains in effect until the changes described herein are incorporated in the FAR, superseded, or otherwise rescinded.

3. PURPOSE:

This FAR CD implements requirements to comply with [EO 14275, Restoring Common Sense to Federal Procurement](#), for the purposes of implementing the Federal Acquisition Regulatory Council’s changes to RFO FAR parts 3, 17, 27, 45, and Applicable Portions of 52. It also incorporates and adopts the FAR Council’s model deviation text to the affected FAR parts.

4. APPLICABILITY:

The requirements in this CD apply to all HHS Divisions for applicable solicitations, contracts, and orders.

5. ROLES AND RESPONSIBILITIES:

Heads of the Contracting Activities (HCAs) must ensure this CD is disseminated to the acquisition workforce and ensure compliance with the requirements in the CD. Additionally, HCAs must review and update any applicable internal procedures and guidance to reflect the policies and guidance contained herein.

6. BACKGROUND:

On April 15, 2025, EO 14275, *Restoring Common Sense to Federal Procurement*, was signed. Section 2 of the EO 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- Remove duplicative or outdated language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. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

On September 11, 2025, the FAR Council issued RFO model deviation text for RFO FAR parts 3, 17, 27, and 45.

7. POLICY/GUIDANCE:

HHS contracting staff must comply with the following:

- A. Follow the RFO FAR parts 3, 17, 27, 45, including the corresponding part 52 model deviation text, instead of FAR parts 3, 17, 27, 45, and applicable portions of 52, as codified at 48 CFR Chapter 1. The Council’s RFO model deviation texts are available in the [FAR Overhaul](#) section at [Acquisition.gov](#), and are incorporated into this CD.

B. When issuing new solicitations, contracts, or orders:

1. **Do not include** any of the removed provisions or clauses (i.e., any provisions or clauses marked as “[Reserved]” on the [RFO FAR part 52](#) page).
2. **Include** the applicable provisions and clauses listed on the [RFO FAR part 52](#) page.
 - i. **For deviated provisions or clauses, (i.e., any provisions or clauses marked with “(DEVIATION DATE)”**), utilize the RFO FAR model deviation text at [RFO FAR part 52](#).

C. For open solicitations:

1. **Amend the solicitation to remove** any provisions and clauses that have been removed by the RFO FAR model deviation text (i.e., any provisions or clauses marked as “[Reserved]” on the [RFO FAR part 52](#) page).

2. **Amend the solicitation to include or update** any applicable deviated provisions or clauses (i.e., any provision or clauses marked with “(DEVIATION DATE)”) to reflect the RFO FAR model deviation text at [RFO FAR part 52](#).

D. For existing contracts and orders:

1. **At the next available opportunity, modify the contract or order to remove** any clauses that have been removed by the RFO FAR model deviation text (i.e., any clauses marked as “[Reserved]” on the [RFO FAR part 52](#) page).
2. **At the next available opportunity, modify the contract or order to include or update** any applicable deviated clauses (i.e., any clauses marked with “(DEVIATION DATE)”) to reflect the RFO FAR model deviation text at [RFO FAR part 52](#).

E. When using RFO provisions or clauses, include the following System for Award Management (SAM) language in the solicitation or contract:

“System updates may lag policy updates. The System for Award Management (SAM) may continue to require entities to complete representations based on provisions that are not included in this solicitation. Contracting officers will rely on representations from offers based on provisions in the solicitation. Entities are not required to, nor are they able to, update their entity registration to remove these representations in SAM.”

8. AUTHORITY:

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

9. DEVIATION:

The RFO FAR parts 3, 17, 27, 45, model deviation text, and corresponding FAR part 52 model deviation text, are available at <https://www.acquisition.gov/far-overhaul>, and are incorporated into this CD.

Summary of Changes:

FAR part 3, Improper Business Practices and Personal Conflicts of Interest, has been retained with minimal deletions and minor updates made for plain language and streamlining. The model deviation does not implement FAR Case 2023-006, Preventing Organizational Conflicts of Interest in Federal Acquisition. This content will be addressed in subsequent policy. The fundamental rules of ethical conduct remain exactly the same. We must all continue to:

- **Act with Integrity:** Always conduct business honestly and transparently.
- **Avoid Conflicts of Interest:** Continue to identify and report any personal, financial, or family relationships that give rise to actual or apparent biases when working on a government contract.
- **Refuse Improper Gifts:** The strict rules against accepting gifts, favors, or anything of value from contractors or potential contractors have not changed.

- **Report Wrongdoing:** Every employee has a duty to report any suspected fraud, waste, abuse, or other violations of law or regulation.
- **Protect Sensitive Information:** Do not use non-public information you get from your government work for personal gain.

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.

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.

FAR part 45, Government Property, has been retained with minimal deletions and minor updates made for plain language. No changes were made to provisions or clauses. The FAR Companion includes additional guidance and best practices to support this FAR part.

Statutory requirements and government directives retained in the affected RFO FAR model deviation text include, but are not limited to, the following:

RFO FAR part 3:

- 10 U.S.C. § 4651, Expenditure of Appropriations: Limitation
- 10 U.S.C. § 4655 and 41 U.S.C. § 4704, Prohibition of Contractors Limiting Subcontractor Sales Directly to Federal Government
- 18 U.S.C. § 208, Acts Affecting a Personal Financial Interest
- 18 U.S.C. § 218, Voiding Transactions in Violation of Chapter
- 41 U.S.C. § 2101 et seq, Procurement Integrity Act
- 41 U.S.C. § 3509, Notification of Violations of Federal Criminal Law or Overpayments
- 41 U.S.C. § 4712, Enhancement of Contractor Protection from Reprisal for Disclosure of Certain Information
- 41 U.S.C. § 8701 et seq, Anti-Kickback Act of 1986
- E.O. 12731, Principles of Ethical Conduct for Government Officers and Employees

RFO FAR part 17:

- 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

RFO FAR part 27:

- 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

RFO FAR part 45

- 40 U.S.C. § 503, Exchange or Sale of Similar Items
- 40 U.S.C. § 524, Duties of Executive Agencies
- 40 U.S.C. § 546, Contractor Inventories

FAR Part	Change	Description
3	Retained	<ul style="list-style-type: none"> • The majority of the part is retained and updated for plain language and streamlining. These updates are designed to enhance clarity and reduce ambiguity and include employing active voice, breaking down complex sentences, and using formatting such as numbered lists to improve readability. • All subparts remain and keep the same structure. • Most existing provisions and clauses are retained (or remain reserved if previously reserved) with no changes to the text. The only exception is clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009, which is deleted as it is no longer needed.
3	Removed	<ul style="list-style-type: none"> • Subsection 3.103-3 “The need for further certifications”, was removed as the content is not required in the FAR. • Section 3.301 “General”, was removed because it provided general background on anticompetitive practices but contained no enforceable rule or procedure. • Section 3.406 “Records”, was removed because it is redundant of existing record retention requirements. • Section 3.907 “Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (the Recovery Act)”, including all subsections, was removed as obsolete because it was specific to contracts funded by the ARRA Recovery Act, a 2009 economic stimulus package.

FAR Part	Change	Description
		<ul style="list-style-type: none"> ○ Removing this section includes deleting clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.
17	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

FAR Part	Change	Description
		<ul style="list-style-type: none"> ▪ 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.
17	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.
27	Retained	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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

FAR Part	Change	Description
		<p>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.</p> <ul style="list-style-type: none"> • Subpart 27.3, “Patent Rights under Government Contracts” is retained and streamlined. <ul style="list-style-type: none"> ○ 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. <ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> ○ 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

FAR Part	Change	Description
		<ul style="list-style-type: none"> ○ 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
27	Moved	<ul style="list-style-type: none"> • The FAR Companion is expected to include best practice information on the following moved content that is not statutorily required: <ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> ▪ 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: <ul style="list-style-type: none"> ○ Subpart 27.4, treatment of “Rights in Data and Copyrights”
27	Removed	<ul style="list-style-type: none"> • 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.

FAR Part	Change	Description
		<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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)
45	Retained	<ul style="list-style-type: none"> • All content in FAR part 45, Government Property, has been retained with minimal deletions and minor updates made for plain language. No changes were made to provisions or clauses.
45	Removed	<ul style="list-style-type: none"> • N/A

** This table is not an exhaustive list.*

RFO FAR part 52 model deviation text reflects updates to provision(s) and/or clause(s) associated with affected RFO FAR parts.

10. CONTACT:

Acquisition workforce members with questions regarding this CD should contact their cognizant Division Acquisition Office or Acquisition Policy Council (APC) Representative(s), as appropriate.

The current list of APC Representatives may be found on the [Acquisition Councils and Workgroups Page](#) of the [HHS Acquisition Portal](#) (HHSAP).

All other questions should be directed to Acquisition_Policy@hhs.gov.