

CHIEF PROCUREMENT OFFICER

Class Deviation for the Federal Acquisition Regulation (FAR) Part 10 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 10 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR Part 10.
- **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 10, concerning Market Research, has been updated to offer acquisition teams more flexibility in their research methods:
 - Greater flexibility in techniques: The FAR no longer lists specific market research considerations or techniques that must be used.
 - You have the flexibility to choose the market research method that best fits your needs.
 - For example, you might host a reverse industry day or expert panel. This allows industry experts to share their perspectives, commercial practices, and experiences with the acquisition team.
 - For more information on reverse industry days, and to read about more good market research techniques, check out the "Smart Accelerators" in the Practitioner Album available at http://acquisition.gov/far-overhaul

- Competition requirements remain: Acquisition professionals must still comply with the Competition in Contracting Act (CICA) (41 U.S.C.§ 3301 et seq), which may necessitate market research.
- Flexibility at all dollar values: Acquisition professionals can apply market research concepts to procurements of any size.
- While FAR clause 52.210-1 Market Research is not required by statute, across Government has been retained as essential to the acquisition process.

Statutory requirements retained in the RFO FAR part 10 model deviation include, but are not limited to, the following:

- 10 U.S.C. §3453, Preference for Commercial Products and Commercial Services
- 41 U.S.C. §3306, Planning and Solicitation Requirements
- 41 U.S.C. § 3307, Preference for Commercial Products and Commercial Services
- 41 U.S.C.§ 1703 note, Effective Communication Between Government and Industry; inclusive of 41 U.S.C.§ 3301 et seq and 41 U.S.C.§ 2101 et seq.

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Other key changes include: Retained:

- Subparts "10.001 Policy" and "10.002 Procedures" are combined and streamlined to remove duplicative and discretionary guidance.
- FAR clause 52.210-1, Market Research, in solicitations and contracts for noncommercial acquisitions over \$6 million.
- Language encouraging exchanges with industry is moved from FAR part 1 to FAR part 10.

Removed:

- Requirements to consider various issues in market research, including for consolidation or bundling procurements are removed. Content stemming from 15 U.S.C. 644(e) and 15 U.S.C. 657(q) is mandatory, however the requirement is covered in FAR part 7.
- Requirements for disaster relief purchasing are removed. Content stemming from 6 U.S.C. 796 is mandatory, however the requirement is covered in FAR part 26.

4. Instructions.

- The HUD acquisition workforce shall follow the RFO part 10 model deviation text instead of FAR part 10 as codified at 48 CFR Chapter 1. The Council's RFO part 10 model deviation text is available at <u>Acquisition.gov/far-overhaul</u> and is incorporated into this class deviation.
- Review templates and related standard operating procedures to remove unnecessary process 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 M25-26, 48 CFR 1.4, and RFO FAR 1.304.
- **7. Effective Date**. This class deviation is effective immediately 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.

