



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

CHIEF PROCUREMENT OFFICER

Class Deviation for the Federal Acquisition Regulation (FAR) Part 3 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 3 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 3.
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 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.

Statutory requirements retained in the RFO FAR part 3 model deviation include, but may not be limited to, the following:

- 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

Change	Description
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.
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. <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.

This table is not an exhaustive list.

4. Instructions.

- The HUD acquisition workforce must follow the RFO part 3 and corresponding 52 model deviation text instead of FAR parts 3 and 52 as codified at 48 CFR Chapter 1. The Council's RFO part 3 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.
- 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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