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



### CHIEF PROCUREMENT OFFICER

## Class Deviation for the Federal Acquisition Regulation (FAR) Part 8 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 8 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 8.
- **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.** Part 8, Required Sources of Supplies and Services, is significantly updated. The model deviation language:
  - Enhances usability by restructuring and organizing the part in the logical flow of the acquisition lifecycle.
  - Simplifies mandatory source guidance.
  - Makes the use of Governmentwide Best-In-Class (BIC) contracts mandatory.
  - Retains focus on the importance of the AbilityOne Program.

This revolutionary change also moves the procedures for ordering under the Federal Supply Schedule (FSS) from the FAR into the General Services Administration Acquisition Regulation (GSAR). The new language represents a significant shift from the overly prescriptive framework found in FAR subpart 8.4. FSS ordering procedures have been revised to create a streamlined structure that provides only the essential requirements needed to place orders and establish blanket purchase agreements (BPAs) against FSS contracts. This streamlined structure enhances the speed of acquisition, and empowers acquisition professionals to use innovative approaches to acquire products/services/solutions under the FSS program.

Statutory requirements retained in the RFO FAR part 8 deviation include, but are not limited to, the following:

- 10 U.S.C. § 3905, Products of Federal Prison Industries
- 18 U.S.C. § 4124, Purchase of Prison-Made Products by Federal Departments
- 40 U.S.C. § 501, Services for Executive Agencies
- 41 U.S.C. § 152(3), Competitive Procedures
- 41 U.S.C. § 3302, Requirements for Purchase of Property and Services Pursuant to Multiple Award Contracts
- 41 U.S.C. §§ 8501 et seq, Committee for Purchase from People Who are Blind or Severely Disabled
- 44 U.S.C. §§ 501 et seq, Production and Procurement of Printing and Binding
- Pub. L. 108-136, Title XIV, Services Acquisition Reform Act of 2003

Change	Description
Retained	<ul> <li>The substance of the "Scope" in 8.000 is retained.</li> <li>Many definitions, previously scattered across different subparts of part 8, are now consolidated at new section 8.001.</li> <li>Use of Mandatory Sources. The priorities and requirements for use of mandatory sources are moved from 8.002 to new sections 8.102, and 8.103. Former section 8.003, "Use of Other Mandatory Sources", is deleted, but its content is preserved and merged into the new section 8.101.</li> <li>Use of Existing Contracts. 8.104 replaces section 8.004, "Use of Other Sources". Best-in-class (BIC) contracts or BPAs are now required to be used when a commercial product or commercial service meets an agency's need, unless approved by the Head of the Contracting Activity (HCA). If a BIC is not suitable, agencies should consider use of an existing governmentwide contract, BPA, or shared service.</li> <li>Contractor permitted use of Government supply sources. This new content moves From FAR part 51 to the new section at 8.105. A new clause is prescribed in section 8.105-1 and discussed below.</li> <li>Contractor Use of GSA Fleet. Former subpart 8.11, "Leasing of Motor Vehicles", is deleted but guidance for authorizing contractor use of GSA Fleet is preserved and moved to section 8.105-3.</li> <li>Ordering under the Federal Supply Schedule. This new subpart 8.4 directs agencies to follow the ordering procedures established by GSA found at General Services Acquisition Regulation (GSAR) part 538.</li> <li>Requirements and procedures for Acquisition From Federal Prison Industries, Inc. are retained and streamlined. The content has been moved from subpart 8.6 to the new subpart 8.3.</li> <li>Requirements and procedures for Acquisition From AbilityOne Participating Nonprofit Agencies are retained and streamlined. The content has been moved from subpart 8.7 to the new subpart 8.2.</li> </ul>

- Requirements and procedures for **Acquisitions of Government Printing and Related Supplies** are retained and streamlined. The content has been moved from subpart 8.8 to the new subpart 8.5.
- The following clauses are retained or relocated from other parts:
  - Clause 52.208-9, Contractor Use of Mandatory Sources of Supply and Services, is streamlined.
    - The prescription is now at 8.105-1(b).
  - Clause 52.208-10 Government Supply Sources (previously at 52.251-1)
    - The prescription is now at 8.105-2(c).
  - o Clause 52.208-11, GSA Fleet and Related Services (previously at 52.251-2)
    - The prescription is now at 8.105-3(c). 52.208-1 through 52.208-8 remain reserved.
- Section 8.001, "General", is removed. It contained a general requirement for IT acquisitions to comply with capital planning rules. This information is not specific to the core purpose of part 8.
- Subpart 8.1, "Excess Personal Property" is removed. The new 8.103(a)(2) points readers to the authoritative Federal Management Regulation (41 C.F.R. 102-36) to avoid outdated information.

### Removed

- Subpart 8.4, "Federal Supply Schedules" is retitled to "Ordering under the Federal Supply Schedule" and streamlined with the majority of the content moving to GSAM/R 538.
- The following clauses associated with "Leasing of Motor Vehicles" are removed:
  - o 52.208-4, Vehicle Lease Payments
  - o 52.208-5, Condition of Leased Vehicles
  - o 52.208-6, Marking of Leased Vehicles
  - o 52.208-7, Tagging of Leased Vehicles

This table is not an exhaustive list.

### 4. Instructions.

- The HUD acquisition workforce must follow the RFO part 8 and corresponding 52 model deviation text instead of FAR part 8 as codified at 48 CFR chapter 1. The Council's RFO part 8 model deviation text is available at <u>Acquisition.gov/faroverhaul</u> and is incorporated into this class deviation.
- GSA's deviation moving the FSS Ordering Procedures into the GSAM/R can also be found at Acquisition.gov/far-overhaul/far-part-deviation-guide.
- To access the new FSS Ordering Procedures, you can:
  - Click the hyperlinked "538" in the part 8 model deviation text at 8.401(b).
  - Click the hyperlinked "NEW FSS Ordering Procedures" link in the new box at the top right of Acquisition.gov/far-overhaul/far-part-deviation-guide.
  - Type acquisition.gov/FSS-ordering-procedures in your URL address bar.
- For new solicitations or contracts, when using any provisions or clauses that have been revised, utilize the RFO model deviation language at <a href="RFO FAR part 52">RFO FAR part 52</a>. Do not include any of the removed provisions or clauses in future solicitations and contracts.

- 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 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 Mrs. Tabitha Painson-McLeod, Sr. Procurement Analyst, Procurement Policy and Systems Division, at 202-402-5680 or Tabitha.M.Painson-McLeod@hud.gov.

