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Millennium Challenge Corporation Contracts and Grants Management Division 1099 14th Street NW | Suite 700 | Washington, DC 20005

MEMORANDUM

Date: August 7, 2025

From: Jonathan C. Hamlet

Managing Director & Senior Procurement Executive

Contracts and Grants Management Division Department of Administration and Finance

Millennium Challenge Corporation

To: MCC Contracts and Grants Management Division Staff

Subject: Class Deviation to Implement the FAR Revisions Parts 50 Extraordinary Contractual

Actions and the SAFETY Act and 52 Solicitation Provisions and Contract Clauses

Issued on July 31, 2025

Findings

On April 15, 2025, President Trump signed the Executive Order (E.O.) 14275, "Restoring Common Sense to Federal Procurement" to reform the Federal Acquisition Regulation (FAR). This E.O. further advances the intent of the E.O. 14192, "Unleashing Prosperity Through Deregulation," signed on January 31, 2025, which established that the policy of the executive branch is to be prudent and financially responsible in the expenditure of funds and to alleviate unnecessary regulatory burdens placed on the American people.

The E.O. orders the Administrator of the Office of Federal Public Procurement Policy (OFPP), in coordination with the other members of the Federal Acquisition Regulatory Council (FAR Council), the heads of agencies, and appropriate senior acquisition and procurement officials from agencies to amend the FAR to ensure that it contains only provisions that are required by statute or that are otherwise necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests. This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

On May 2, 2025, the Office of Management and Budget (OMB) released its memo M-25-25 "Overhauling the Federal Acquisition Regulation" that directs all agencies to "Generally issue individual or class deviations to implement the FAR Council's deregulated coverage within 30 days after the Council releases its model deviation text. Provide copies of class deviations to the FAR Secretariat at gsaregsec@gsa.gov for public posting on Acquisition.gov."

On July 31, 2025, the FAR Council issued completed revisions for <u>FAR Part 50</u> and <u>FAR Part 52</u> clause. The RFO FAR Part 50 model deviation text has been updated for clarity and practical use.

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Statutory requirements retained in the RFO FAR Part 50 model deviation include, but are not limited to, the following:

- 50 U.S.C. § 1431 et seq, National Defense Contracts
- 6 U.S.C. § 441 eq seq, Support Anti-Terrorism by Fostering Effective Technologies
- E.O. 10789, Contracting Authority in Connection With National-Defense Functions

Other key changes include:

Retained:

- All subparts and sections throughout the part are retained.
- All provisions and clauses are retained, specifically:
 - o Clause 52.250-1, Indemnification Under Public Law 85-804
 - o Provision 52.250-2, SAFETY Act Coverage Not Applicable
 - o Provision 52.250-3, SAFETY Act Block Designation/Certification
 - o Provision 52.250-4, SAFETY Act Pre-qualification Designation Notice
 - o Clause 52.250-5, SAFETY Act—Equitable Adjustment.
 - This clause was updated with plain language edits.

Removed:

 Plain language edits were made throughout to enhance readability and remove redundant, unclear, or non-essential language, decreasing the word count by more than 500 words.

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 50 and 52, MCC shall follow the RFO Part 50 model deviation text instead of FAR Part 50 as codified at 48 CFR Chapter 50 and replace the relevant RFO Part 52 model deviation clause instead of the FAR Part 52 clause as codified at 48 CFR Chapter 52. The FAR Council's RFO Parts 50 and 52 model deviation texts are available at Acquisition.gov, under the "FAR Overhaul" link.

This deviation applies to all solicitations and new contracts as of July 31, 2025. This deviation does not apply to contracts signed and executed on or before July 30, 2025.

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Approval

In accordance with RFO FAR 1.304 *Class deviations*, MCC Contracts Operating Manual (COM) 1.305-3 *Contracts and Grants Management Division MD/SPE*, and the OMB memo M-25-25, the RFO Part 50 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of July 31, 2025 for use by all MCC Contracting Officers until final implementation of the FAR update or rescission of this Memo by the SPE. Additional instructions related to this Memo may be issued by the Senior Procurement Executive, Deputy Managing Director, and the Supervisory Procurement Analyst of the MCC CGM Division on an *ad hoc* basis.

Jonathan C. Hamlet
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Contracts and Grants Management Division
Department of Administration and Finance
Millennium Challenge Corporation

Attachments

OMB Memo M-25-25 Overhauling the Federal Acquisition Regulation