

Date: September 29, 2025

From: Darnese M. Wilkerson, Chief Acquisition Officer DMW

To: Office of the Chief Acquisition Officer (OCAO)

Subject: CLASS DEVIATION (CD) in Support of Executive Order (EO) 14275,

"Restoring Common Sense to Federal Procurement" - Deviation to FAR Part 40,

Information Security and Supply Chain Security

1. Purpose

This Class Deviation (CD) implements the FAR Council's model deviation text for FAR Part 40, Information Security and Supply Chain Security. This action aligns with Executive Order (EO) 14275, "Restoring Common Sense to Federal Procurement," and the Revolutionary FAR Overhaul (RFO) initiative.

The revised FAR Part 40 streamlines policies and procedures related to contract cost principles. Burdensome, duplicative, or outdated language not required by statute has been removed. Key changes include:

- Consolidation of Security Regulations: Part 40 has been created to serve as a central repository for various information security and supply chain security policies and procedures that were previously dispersed throughout the FAR.
- Plain Language and Streamlining: The content of the part has been rewritten in plain language to enhance clarity and reduce complexity.
- Relocation of Clauses: A number of security-related clauses and provisions from other FAR parts have been moved to the new Part 40.
- New Subparts and Clauses: The new structure includes subparts for "Processing Supply Chain Risk Information" and "Security Prohibitions and Exclusions."
- Focus on Statutory Requirements: The overhaul emphasizes the removal of non-statutory regulations.
- Introduction of Buying Guides.

2. Background

EO 14275, signed on April 15, 2025, established a policy that the FAR should contain only provisions required by statute or those essential for sound procurement. To implement this EO, the Office of Federal Procurement Policy (OFPP) is leading the Revolutionary FAR Overhaul

(RFO) initiative, supported by the Federal Acquisition Regulatory Council. The initiative aims to eliminate unnecessary regulations and policies across all levels of the federal government.

Further guidance was provided by OMB Memorandum M-25-26, "Overhauling the Federal Acquisition Regulation," issued on May 2, 2025.

The RFO FAR Part 40 model deviation text provides a simplified and more efficient framework for ensuring effective competition, emphasizing a mission-first approach, prudent use of taxpayer dollars, and efficiency in achieving acquisition outcomes.

3. Summary of Changes

RFO FAR Part 40 is simplified to consolidate security provisions, clauses, and security-related requirements to a single, logically organized FAR Part. This consolidation and reorganization ensure requirements are clear and aligned with best practices. The Key changes are as follows:

- Simplified: FAR part 40 is reorganized into three key subparts:
 - o Subpart 40.1 Processing Supply Chain Risk Information (previously reserved)
 - o Subpart 40.2 Security Prohibitions and Exclusions
 - o Subpart 40.3 Safeguarding Information (previously reserved)

• Consolidated:

- Regulatory requirements previously found at FAR subparts 4.4, 4.19 through 4.23, and 25.7 have been moved into part 40.
- o More than a dozen separate provisions (5) and clauses (9) have been merged into 4 (1 provision and 3 clauses).

Statutory requirements retained in the RFO FAR part 40 model deviation include, but are not limited to, the following:

- Federal Acquisition Supply Chain Security Act (FASCA) (41 U.S.C. §§ 1321 et seq)
- Authorities Related to Mitigating Supply Chain Risks in the Procurement of Covered Articles (41 U.S.C. § 4713)
- Federal Information Policy (44 U.S.C. §§ 3501 et seq)
- Prohibition on Use of Products and Services Developed or Provided by Kaspersky Lab (Pub. L. 115-91 Section 1634)
- Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (Pub. L. 115-232 Section 889)
- Requirements to Identify and Control the Export of Emerging and Foundational Technologies (Pub. L. 115-232 Section 1758)
- Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology Act (SECURE Technology Act) (Pub. L. 115-390)
- Prohibition on the Use of TikTok (Pub. L. 117-328 Div R Section 102)
- Prohibition on Procurement of Covered Unmanned Aircraft Systems from Covered Foreign Entities (Pub. L. 118-31 Section 1823)

The following chart details information that has been changed by way of revision (Retained) or have been removed due to being outdated, redundant, or otherwise unnecessary (Deleted).

Change	Description
Retained	 New subpart 40.1 incorporates: Sharing Supply Chain Risk Information (from FAR 4.2302): The requirement to share relevant supply chain risk information with the Federal Acquisition Security Council when applicable is moved to FAR 40.102.
	 Subpart 40.2 incorporates: Kaspersky Lab (from FAR 4.20): The prohibition on hardware, software, and services from Kaspersky Lab and its affiliates is now at FAR 40.202(b). Its definitions (Kaspersky Lab covered article, Kaspersky Lab covered entity) have been moved to the new definitions section at FAR 40.201. Section 889 (from FAR 4.21): The prohibition on contracting for certain Chinese telecommunications and video surveillance equipment and services is now located at FAR 40.202(d). The definitions are centralized at FAR 40.201. ByteDance/TikTok (from FAR 4.22): The prohibition on the presence or use of TikTok applications or services on government and contractor information technology is now located at FAR 40.202(a). The definitions are centralized at FAR 40.201. Federal Acquisition Supply Chain Security Act (FASCSA) (from FAR 4.23): The prohibition on violating an applicable FASCSA order is now located at FAR 40.202(e). Key definitions are centralized at FAR 40.201. The requirements for implementing FASCSA exclusion and removal orders have been streamlined and moved to FAR 40.204-1.
	Prohibited Foreign Sources (from FAR 25.7): The prohibitions related to Office of Foreign Assets Control (OFAC) restrictions, as well as specific prohibitions against contracting with entities doing business in Sudan and Iran now reside at 40.202(f), (g), and (h). New subpart 40.3 incorporates: Safeguarding Classified Information within Industry (from FAR 4.4): The policies and procedures for safeguarding classified information within industry, rooted in Executive Order 12829 and the National Industrial Security Program (NISP), have been moved to the new section 40.302.

- Basic Safeguarding of Covered Contractor Information Systems (from FAR 4.19): The requirements for the basic safeguarding of covered contractor information systems that contain Federal Contract Information (FCI) are retained and moved to the new section 40.303.
- Provision and clauses consolidated to the following:
 - New provision 52.240-90, Security Prohibitions and Exclusions Representations and Certifications, replaces the following provisions:
 - 52.204-24, Representation Regarding Certain
 Telecommunications and Video Surveillance Services or
 Equipment
 - **52.204-26,** Covered Telecommunications Equipment or Services—Representation
 - 52.204-29, Federal Acquisition Supply Chain Security Act Orders—Representation and Disclosures.
 - 52.225-20, Prohibition on Conducting Restricted Business Operations in Sudan—Certification.
 - 52.225-25, Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran— Representation and Certifications.
 - New clause 52.240-91, Security Prohibitions and Exclusions, replaces the following clauses:
 - 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities
 - 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.
 - **52.204-27,** Prohibition on a ByteDance Covered Application.
 - 52.204-28, Federal Acquisition Supply Chain Security Act Orders—Federal Supply Schedules, Governmentwide Acquisition Contracts, and Multi-Agency Contracts.
 - o **52.204-30,** Federal Acquisition Supply Chain Security Act Orders—Prohibition.
 - o **52.225-13**, Restrictions on Certain Foreign Purchases.
 - 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act— Covered Foreign Entities.
 - New clause 52.240-92, Security Requirements, replaces the following clause:
 - o **52.204-2** Security Requirements.
 - New clause 52.240-93, Basic Safeguarding of Covered

	Contractor Information Systems, replaces the following clause:
	 52.204-21 Basic Safeguarding of Covered Contractor Information Systems.
Removed	 Part 40 has been streamlined by merging and consolidating content from parts 4 and 25, removing redundancies, and improving clarity.

FAR Streamlining

As part of the RFO, the FAR is be streamlined to include only statutory requirements. Non-statutory content will be moved to new buying guides, collectively known as the Strategic Acquisition Guidance (SAG). The Council will first issue model deviation guidance by FAR part, followed by formal rulemaking through the notice and comment process. Agencies have 30 days to issue class deviations based on the model text once released.

- **A. Streamlining Agency Acquisition Supplements:** Agencies must streamline their FAR supplements by removing regulations not based on statute or executive orders and by aligning with the FAR Council's deviation guidance. Supporting policies must also be updated to reflect these changes. This is an excellent opportunity for NARA to formally publish a streamlined NARA FAR Supplement, ensuring consistency with the new FAR.
- **B. FAR Buying Guides and Supplemental Companion Guides (CG):** As the FAR and agency supplements are streamlined, helpful non-regulatory content will be moved to these new FAR Buying Guides. These guides will offer practical instructions and best practices for implementing effective contracting methods, including those related to competition. The RFO Part 40 model deviation text is a plain language version that will be adhered to by all NARA contracting personnel.

4. Instructions

The NARA acquisition workforce shall follow the RFO Part 40 deviated text instead of FAR Part 40 as codified at 48 CFR Chapter 1, Subchapter B, Part 40. The FAR Council's RFO text is available at <u>FAR Overhaul - FAR Part 40 - Acquisition.gov</u> and is incorporated by reference into this deviation.

5. Applicability

The requirements in this CD apply to all solicitations and contract actions issued or awarded on or after October 1, 2025.

6. Authority

This class deviation is issued under the authority of Executive Order 14275 and OMB Memorandum M-25-26, 48 CFR Subpart 1.4.

7. Effective Date

This CD is effective as of the date signed and shall remain in effect until the provisions of the RFO are formally implemented in the FAR through a final rulemaking.

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cc: NGC