## Department of Veterans Affairs

## Memorandum

- Date: August 28, 2025
- From: Acting Executive Director, Office of Acquisition and Logistics (003A), and Acting Senior Procurement Executive
- Subj: Class Deviation for FAR Part 40 in Support of Executive Order on Restoring Common Sense to Federal Procurement (VIEWS 13654997)
  - To: Heads of the Contracting Activities
    - **1. Purpose.** Deviate from Federal Acquisition Regulation (FAR) part 40 for purposes of implementing the Federal Regulatory Council's (the Council's) model deviation text to FAR part 40.
    - **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.** Instead of navigating a patchwork of multiple subparts throughout the FAR and over a dozen different provisions and clauses to understand security requirements, readers can now refer to a single, logically organized part of FAR part 40, Information Security and Supply Chain Security.
  - Simplified: FAR part 40 is reorganized into three key subparts:
    - Subpart 40.1- Processing Supply Chain Risk Information (previously reserved)
    - Subpart 40.2- Security Prohibitions and Exclusions
    - 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.
    - More than a dozen separate provisions (5) and clauses (9) have been merged into 4 (1 provision and 3 clauses).

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

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

| Change   | Description   |
|----------|---|
| Retained | New subpart 40.1 incorporates:  |
|          | ○ Sharing Supply Chain Risk Information (from FAR                               |
|          | <b>4.2302)</b> : 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.   |
|          | <ul> <li>Section 889 (from FAR 4.21): The prohibition on contracting</li> </ul> |
|          | 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                    |
| l        | FAR 40.201.   |

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|         | New clause 52 240 04 Security Brobibitions and Evaluations                   |
|---------|--|
|         | New clause 52.240-91, Security Prohibitions and Exclusions,                  |
|         | replaces the following clauses:  |
|         | o <b>52.204-23,</b> Prohibition on Contracting for Hardware,                 |
|         | Software, and Services Developed or Provided by                              |
|         | Kaspersky Lab Covered Entities   |
|         | <ul> <li>52.204-25, Prohibition on Contracting for Certain</li> </ul>        |
|         | Telecommunications and Video Surveillance Services or                        |
|         | Equipment.   |
|         | <ul> <li>52.204-27, Prohibition on a ByteDance Covered</li> </ul>            |
|         | Application.   |
|         | <ul> <li>52.204-28, Federal Acquisition Supply Chain Security Act</li> </ul> |
|         | Orders—Federal Supply Schedules, Governmentwide                              |
|         | Acquisition Contracts, and Multi-Agency Contracts.                           |
|         | <ul> <li>52.204-30, Federal Acquisition Supply Chain Security Act</li> </ul> |
|         | Orders—Prohibition.  |
|         | <ul> <li>52.225-13, Restrictions on Certain Foreign Purchases.</li> </ul>    |
|         | <ul> <li>52.240-1, Prohibition on Unmanned Aircraft Systems</li> </ul>       |
|         | Manufactured or Assembled by American Security Drone                         |
|         | Act—Covered Foreign Entities.  |
|         | Act Oovered Foreign Entitles.  |
|         | New clause 52.240-92, Security Requirements, replaces                        |
|         | the following clause:  |
|         | <ul> <li>52.204-2 Security Requirements.</li> </ul>                          |
|         |  |
|         | New clause 52.240-93, Basic Safeguarding of Covered                          |
|         | Contractor Information Systems replaces the following clause:                |
|         | <ul> <li>52.204-21 Basic Safeguarding of Covered Contractor</li> </ul>       |
|         | Information Systems.   |
|         | ,  |
| Removed | Part 40 has been streamlined by merging and consolidating                    |
|         | content from parts 4 and 25, removing redundancies, and                      |
|         | improving clarity.   |
|         |  |

This table is not an exhaustive list.

## 4. Instructions.

- The VA acquisition workforce must follow the RFO part 40 and corresponding 52 model deviation text instead of FAR part 40 as codified at 48 CFR Chapter 1. The Council's RFO part 40 model deviation text is available at 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 model deviation language at <u>RFO FAR part</u> <u>52</u>.

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- 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 of the contract.
- **5. Applicability.** All VA procurements.
- **6. Authority.** <u>E.O. 14275</u>, <u>OMB Memorandum M-25-26</u>, <u>48 C.F.R. Subpart 1.4</u> 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. Point of Contact.** Questions related to this deviation may be directed to <a href="mailto:va.procurement.policy@va.gov">va.procurement.policy@va.gov</a>.

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