CLASS DEVIATION FINDINGS AND DETERMINATION FEDERAL ACQUISITION REGULATION (FAR) PART 34 - MAJOR SYSTEM ACQUISITION

Findings

- The objective of this class deviation is to implement the Federal Acquisition Regulatory Council's model deviation text to the Federal Acquisition Regulation (FAR) Part 34 -Major System Acquisition, and applicable sections of FAR Part 52 - Solicitation Provisions and Contract Clauses.
- 2. On April 15, 2025, President Donald J. Trump issued Executive Order (E.O.) 14275, *Restoring Common Sense to Federal Procurement*. Section 2 of the E.O. established the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."
- 3. On May 2, 2025, the Office of Management and Budget (OMB) issued memorandum M-25-26, Overhauling the Federal Acquisition Regulation, initiating a major overhaul of the FAR (Revolutionary FAR Overhaul, or "RFO"). The memorandum tasked the Office of Federal Procurement Policy (OFPP) with leading the RFO, in coordination with the other members of the Federal Acquisition Regulatory Council i.e., the General Services Administration (GSA), the Department of Defense (DOD), and the National Aeronautics and Space Administration (NASA) and federal buying agencies. The goal is refocusing the FAR on its statutory roots. To that end, the FAR is being updated to:
 - Remove language that is not required by statute
 - Remove duplicative or outdated language
 - Clarify or provide more plain language
 - Revise language for the new FAR framework
 - Retain language necessary for governmentwide acquisition standards

The OMB memorandum M-25-26 established a two phased approach to implementing enterprise deregulation as follows: Phase one, FAR Council deviation guidance, and phase two, formal rulemaking. Phase one involves the FAR Council issuing guidance on a rolling basis with clear, plain language model deviation text organized by FAR part. The goal is streamlining the regulation by aligning it more closely to its statutory base. According to the memorandum, agencies should adopt this model deviation text within 30 days by issuing either individual or class deviations.

4. On May 2, 2025, the FAR Council issued further implementing guidance in a memorandum titled *Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation*. Pursuant to the FAR Council's memorandum, "agencies that adopt the Council's RFO class deviation text without change, or require different text

only to address statutory direction unique to the agency, do not need to coordinate with the Council."

5. Accompanying the FAR Council memorandum, the FAR Council issued model deviation text for FAR Part 34 and corresponding clauses at FAR Part 52. FAR Part 34 describes acquisition policies and procedures for use in acquiring major systems consistent with OMB Circular No. A-109, and the use of an Earned Value Management System in acquisitions designated as major acquisitions consistent with OMB Circular A-11, Part 7. The RFO Part 34 model deviation text retains FAR subparts 34.1 and 34.2. Subpart 34.1 deals with statutory requirements tied to 50 U.S.C. 4531 et seq. Subpart 34.2 deals with Earned Value Management requirements tied to OMB Circular A-11, Part 7. Non-statutory requirements removed from FAR Part 34 include the general guidance provided in sections 34.001 through 34.005.

The RFO Part 52 model deviation text revises clauses 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act and 52.234-4 Earned Value Management System, and removes provisions 52.234-2 Notice of Earned Value Management System—Preaward Integrated Baseline Review and 52.234-3 Notice of Earned Value Management System—Postaward Integrated Baseline Review.

Determination

In accordance with RFO 1.304 *Class deviations* and Department of Energy Acquisition Regulation (DEAR) 901.404 *Class deviations*, to fully comply with the requirement of E.O. 14275 and the revised FAR Parts 34 and 52, it is hereby determined that a class deviation is appropriate pursuant to OMB memorandum M-25-26 (Attachment 1) and the FAR Council memorandum (Attachment 2) issued on May 2, 2025, using the RFO model deviation text for Part 34 and applicable sections of Part 52 (Attachment 3). Specifically, DOE/NNSA will use the RFO model deviation text for Part 34 in lieu of 48 Code of Federal Regulations (CFR) Part 34 and the RFO model deviation text for the applicable sections of Part 52 in lieu of 48 CFR 52.234-1, 52.234-2, 52.234-3, and 52.234-4. Once approved, the Department will share the deviation widely among its workforce to ensure full awareness of and compliance with the revisions to the affected regulations. This class deviation is effective upon issuance, and will remain effective until cancelled or incorporated into the FAR.

Janella Davis Date: 2025.06.20 17:10:18 -04'00'

Janella Davis, Director Office of Acquisition Management Senior Procurement Executive Department of Energy



Digitally signed by WILLIAM QUIGLEY Date: 2025.06.16 12:35:33 -04'00'

William J. Quigley, Deputy Associate Administrator Office of Partnership and Acquisition Services Senior Procurement Executive National Nuclear Security Administration Attachments: OMB Memorandum M-25-26, *Overhauling the Federal Acquisition Regulation* FAR Council Memorandum, *Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation* RFO Parts 34 and 52 Model Deviation Text