## CLASS DEVIATION FINDINGS AND DETERMINATION DEPARTMENT OF ENERGY ACQUISITION REGULATION (DEAR) PART 1 FEDERAL ACQUISITION REGULATIONS SYSTEM

## **Findings**

- 1. The objective of this class deviation is to update the Department of Energy Acquisition Regulation (DEAR) Part 901 Federal Acquisition Regulations System to implement the changes to the Federal Acquisition Regulation (FAR) Part 1 Federal Acquisition Regulations System by the Federal Acquisition Regulatory Council through the Revolutionary FAR Overhaul (RFO) initiative and make other deregulatory revisions to DEAR Part 901 pursuant to Executive Order (E.O.) 14275, Restoring Common Sense to Federal Procurement.
- 2. On April 15, 2025, President Donald J. Trump issued 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  - Remove duplicative or outdated language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.

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. On May 2, 2025, the FAR Council also issued model deviation text for FAR Part 1 and the corresponding section of FAR Part 52.
- 6. On June 10, 2025, the Department of Energy (DOE) and the National Nuclear Security Administration (NNSA) adopted the RFO model deviation text for FAR Part 1 and the corresponding section of FAR Part 52 through a class deviation, issued via Policy Flash 2025-33.

As the OFPP and the FAR Council issue RFO model deviation texts for FAR parts, and the DOE adopts them through class deviations, the DEAR will be revised to update FAR references and to implement the RFO model deviation text.

During phase one of the RFO – when the FAR is updated via class deviations incorporating the RFO model text – the DEAR will not be updated to align with the new FAR numbering structure (i.e., part, subpart, section, subsection, and paragraph), as stated at DEAR 901.105-2(a), but a crosswalk between the DEAR and the RFO-revised FAR parts will be provided. Once the RFO revisions to the FAR are finalized through formal rulemaking (phase two), the DEAR will be updated through its formal rulemaking to align with the revised FAR the numbering structure.

- 7. Accordingly, DEAR Part 901 is updated as follows:
  - a. Section 901.101 *Purpose* is revised to remove the reference to Chapter 1 of title 48 of the Code of Federal Regulations (CFR) and to add a reference to DOE/NNSA class deviations, since the FAR is being revised by the RFO. This, along with subsequent class deviations, updates the DEAR to reflect and implement the RFO revisions.
  - b. Section 901.103 *Authority* is updated to use "DOE" and "NNSA" in lieu of "the Department of Energy (DOE)" and "the National Nuclear Security Administration (NNSA)" since these acronyms are now defined in the preceding section.
  - c. Section 901.104 *Applicability* is deleted in its entirety due to the elimination of the corresponding section in the FAR.
  - d. Subsection 901.105-1 *Publication and code arrangement*, paragraph (a) is revised to delete the website address for the Electronic Code of Federal Regulations (eCFR) because website addresses are subject to change, and an outdated or incorrect Uniform Resource Locator (URL) within a regulation can be misleading and fail to provide the intended access. This represents a potential for inaccuracy that is not strictly necessary for fulfilling the underlying statutory mandate, and is therefore deleted.
  - e. Subsection 901.105-1 *Publication and code arrangement*, paragraph (b) is deleted in its entirety due to the elimination of the corresponding paragraph in the FAR.
  - f. Subsection 901.105-2 *Arrangement of regulations*, paragraphs (a) and (b) are combined and revised to clarify that the DEAR is organized into parts, subparts,

sections, subsections, and paragraphs that correspond to those in the FAR parts, but do not share the same numbering. The reference to the numbering illustrations at 48 CFR 1.105-2(b) is removed, because the paragraph was deleted in the RFO. During the RFO transition, the DEAR will not be renumbered to align with the revised FAR. As a result, FAR and DEAR numbering may not always match until both are formally updated through rulemaking. References to the FAR within the DEAR will be updated through class deviations to reflect the revised FAR parts.

- g. Subsection 901.105-2 *Arrangement of regulations*, paragraph (b) is revised to state that the DEAR numbering is preceded with a 9 or a 90, while material which supplements the FAR will be assigned the numbers 70 and up.
- h. Subsection 901.105-3 *Copies*, is deleted in its entirety due to the elimination of the corresponding paragraph in the FAR.
- i. The header for Subpart 901.3—Agency Acquisition Regulations is deleted because subsection 901.301-70 Other issuances related to acquisition, the only subsection under this subpart, is deleted in its entirety.
- j. Subsection 901.301-70 *Other issuances related to acquisition*, is deleted in its entirety because the references to other regulations and external policy and guidance documents are not statutorily required or deemed necessary in this part of the DEAR.
- k. Section 901.401 *Definition* is revised to delete the phrase "of any kind at any stage of the acquisition process" from the definition of "deviation", due to its overly broad and encompassing characteristic, which could include even de minimis, unintentional, or purely administrative/clerical inconsistencies that lack substantive impact on procurement integrity or objectives, which the term "deviation" is not intended to encompass.
- 1. The reference to "FAR 1.404" at DEAR 901.404 is updated to "FAR 1.304 (as implemented by DOE/NNSA class deviation)".
- m. Finally, the reference to "48 CFR 1.601(b)" at DEAR 901.601(b) is updated to "FAR 1.401 (as implemented by DOE/NNSA class deviation)".

There are no DEAR clauses or provisions associated with Part 901. Therefore, this class deviation does not affect any DEAR clauses or provisions.

## **Determination**

In accordance with DEAR 901.404 *Class deviations*, to fully comply with the requirement of E.O. 14275 and the revised FAR Part 1 and applicable section of Part 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 attached deviation text for DEAR Part 901 (Attachment 3). Specifically, DOE/NNSA will use the deviation text for Part 901 in lieu of 48 Code of Federal Regulations (CFR) Part 901. 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 the date of signature and will remain in effect until cancelled or incorporated into the DEAR.

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## Attachments:

DEAR Part 901 Deviation Text – Line Out DEAR Part 901 Deviation Text – Final

Class Deviation to Adopt Revolutionary FAR Overhaul (RFO) Part 1 - Federal Acquisition Regulations System

OMB Memorandum M-25-26, Overhauling the Federal Acquisition Regulation FAR Council Memorandum, Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation