

**CLASS DEVIATION
FINDINGS AND DETERMINATION
FEDERAL ACQUISITION REGULATION (FAR) PART 19 - SMALL BUSINESS,
SUPPLEMENT**

Findings

1. The objective of this class deviation is to supplement the class deviation that implemented the Federal Acquisition Regulatory Council’s model deviation text to the Federal Acquisition Regulation (FAR) Part 19 - *Small Business*.
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”) and the Federal Acquisition Regulatory Council (FAR Council) issued further implementing guidance in a memorandum titled *Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation*.
4. In accordance with the OMB and FAR Council memoranda, the Department of Energy (DOE) and the National Nuclear Security Administration (NNSA) issued a class deviation to implement the model deviation text for RFO FAR Part 19 (see Policy Flash PF 2026-10 <https://www.energy.gov/management/pf-2026-10-class-deviation-adopt-revolutionary-far-overhaul-rfo-part-19-small-business>). More information about the purpose of the RFO initiative and background on the original model deviation language can be found in the original DOE/NNSA implementing class deviation for Part 19.

On February 20, 2026, the FAR Council updated the model deviation text for Part 19 to reflect the General Services Administration’s decommissioning of the Electronic Subcontracting Reporting System (eSRS.gov), and moving subcontracting reporting to SAM.gov.

The updated model deviation text for Part 19—

- a. Removes prescriptive manual process steps for contractors and contracting officers to review/approve/reject subcontract reports submitted to the new system. The new system will implement business rules to prevent reporting of most common errors.
- b. Gives agencies discretion for how to monitor subcontract reports, with best practices to be developed in the FAR Companion. The new system will create reports to identify reporting needing the greatest attention.

- c. Extends the reporting requirement of Individual Subcontract Reports from 30 days after the reporting period to 45 days to align the FAR to SBA's current regulations.

Determination

In accordance with RFO 1.304 *Class deviations* (as implemented by DOE/NNSA class deviation) and Department of Energy Acquisition Regulation (DEAR) 901.404 *Class deviations*, it is hereby determined that a class deviation supplement, as described above, to the class deviation that implemented the RFO model deviation text for FAR Part 19 is appropriate. Specifically, DOE/NNSA will use the revised RFO model deviation text for Part 19 and applicable sections of Part 52 attached to this class deviation in lieu of the model deviation text for Part 19 and applicable sections of Part 52 issued on December 10, 2025, via Policy Flash PF 2026-10 (Note that although all of the applicable sections of Part 52 are included in the attached model deviation text for convenience, only clause 52.219-9 *Small Business Subcontracting Plan* (along with its alternates) has been updated and therefore shows a new deviation date). 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.

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Attachment:
RFO FAR Parts 19 and 52 Model Deviation Text, dated February 20, 2026