



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: November 14, 2025

From: Jonathan C. Hamlet
Managing Director & Senior Procurement Executive
Contracts and Grants Management Division
Department of Administration and Finance
Millennium Challenge Corporation

To: MCC Contracts and Grants Management Division Staff

Subject: Class Deviation to Implement the FAR Revisions Parts 17 *Special Contracting Methods* and 52 *Solicitation Provisions and Contract Clauses* Issued on September 11, 2025

Findings

On April 15, 2025, President Trump signed the [Executive Order \(E.O.\) 14275, “Restoring Common Sense to Federal Procurement”](#) to reform the Federal Acquisition Regulation (FAR). This E.O. further advances the intent of the [E.O. 14192, “Unleashing Prosperity Through Deregulation,”](#) signed on January 31, 2025, which established that the policy of the executive branch is to be prudent and financially responsible in the expenditure of funds and to alleviate unnecessary regulatory burdens placed on the American people.

The E.O. orders the Administrator of the Office of Federal Public Procurement Policy (OFPP), in coordination with the other members of the Federal Acquisition Regulatory Council (FAR Council), the heads of agencies, and appropriate senior acquisition and procurement officials from agencies to amend the FAR to ensure that it contains only provisions that are required by statute or that are otherwise necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests. This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

On May 2, 2025, the Office of Management and Budget (OMB) released its memo M-25-26 “Overhauling the Federal Acquisition Regulation” that directs all agencies to “Generally issue individual or class deviations to implement the FAR Council’s deregulated coverage within 30 days after the Council releases its model deviation text. Provide copies of class deviations to the FAR Secretariat at gsaregsec@gsa.gov for public posting on Acquisition.gov.”

On September 11, 2025, the FAR Council issued completed revisions for [FAR Part 17](#) and [FAR Part 52](#) clause. The RFO FAR Part 17 has been streamlined. The revisions can be characterized by three overarching themes: organizing information in a way that's easier to understand and use; combining

related topics and removing repeated information; and making the language clearer through simpler sentences, active voice, and better formatting.

Statutory requirements retained in the RFO FAR Part 17 model deviation include, but are not limited to, the following:

- 41 U.S.C. § 3903 and 10 U.S.C. § 3501, Multiyear Contracts
- 31 U.S.C. § 1341, Limitations on Expending and Obligating Amounts
- 31 U.S.C. § 1535, The Economy Act
- Pub. L. 110-417 Sec. 865, Preventing Abuse of Interagency Contracts
- Pub. L. 110-181 Sec. 801, Internal Controls for Procurements on Behalf of the Department of Defense by Certain Non-defense Agencies

Other key changes include:

Retained:

- Section 17.000 “Scope of Part,” is retained and expanded to provide a more complete list of the special contracting methods covered within the part.
- Subpart 17.1 “Multiyear Contracting,” is retained and restructured. This reorganization involves the deletion of some sections, the consolidation of others, and the creation of new sections to house relocated and revised content.
- The “Definitions” for multiyear contracting are moved to section 17.102, and all are retained with some plain language or clarifying updates.
- The “Policy” for multiyear contracting is moved to subsection 17.103-1 and revised to include two statutory requirements for DoD when considering entering into a multiyear contract for supplies:
 - (b)(6): The contract must promote national security of the United States.
 - (b)(7): For contracts valued at \$500,000,000 or more, the Secretary must certify that specific conditions outlined in 10 U.S.C. § 3501 will be met.
- Subpart 17.2 “Options,” is retained and restructured. This reorganization involves the consolidation of some sections, and the creation of new sections to house relocated and revised content.
- Subpart 17.3 remains reserved.
- Subpart 17.5 “Interagency Acquisitions,” is updated with plain language revisions and formatting improvements for clarity.
- Subparts 17.6 and 17.7 are reordered, creating a more logical flow by placing all content concerning interagency acquisitions in sequential order.
 - “Interagency Acquisitions: Acquisitions by Nondefense Agencies on Behalf of the Department of Defense”
 - Previously at subpart 17.7, now at 17.6
 - “Management and Operating Contracts”
 - Previously at subpart 17.6, now at 17.7
- Subparts 17.1 “Multiyear Contracting,” 17.2 “Options,” 17.7 “Management and Operating Contracts,” and 17.8 “Reverse Auctions” are reorganized to follow the stages of the acquisition lifecycle
 - Presolicitation
 - Evaluation and Award
 - Postaward

- All clauses and provisions prescribed in this part are retained.
 - The following provisions have been updated to reflect current cross-references:
 - 52.217-4, Evaluation of Options Exercised at Time of Contract Award
 - 52.217-5, Evaluation of Options
 - Note: The fill-ins at 52.217-8 and 52.217-9 remain the same and must still be completed by the acquisition team.

Removed:

- Content from previous section 17.105-2 about the objectives and benefits of multiyear contracting is removed and is expected to be moved to the FAR Companion.
- Content from previous sections 17.203 and 17.204 reflecting best practices for options in solicitations and contracts is expected to be moved to the FAR Companion.
- Previous sections 17.107 “Options” and 17.205 “Documentation” are removed as the content was redundant and unnecessary.
- Content previously at section 17.207 “Exercise of Options” is streamlined and moved to 17.204-1.
- Subpart 17.4 “Leader Company Contracting,” has been significantly streamlined. The new subpart retains an explanation of the technique but the detailed procedures and best practices for this technique is expected to be moved to the FAR Companion.
- Criteria for identifying management and operating contracts, previously at section 17.604 “Identifying management and operating contracts,” is removed as it is unnecessary.
- Content from previous section 17.802(c) for best practices for reverse auctions is expected to be moved to the FAR Companion.

Determination

To fully comply with the President’s E.O.s and the revised FAR Parts 17 and 52, MCC shall follow the [RFO Part 17 model deviation text](#) instead of FAR Part 17 as codified at 48 CFR Chapter 17 and replace the relevant [RFO Part 52 model deviation clause](#) instead of the FAR Part 52 clause as codified at 48 CFR Chapter 52. The FAR Council’s RFO Parts 17 and 52 model deviation texts are available at [Acquisition.gov](#), under the “[FAR Overhaul](#)” link.

This deviation applies to all solicitations and new contracts as of November 14, 2025. This deviation does not apply to contracts signed and executed on or before November 13, 2025.

Approval

In accordance with RFO FAR 1.304 *Class deviations*, MCC Contracts Operating Manual (COM) 1.305-3 *Contracts and Grants Management Division MD/SPE*, and the OMB memo M-25-26, the RFO Part 17 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of November 14, 2025 for use by all MCC Contracting Officers until final implementation of the FAR update or rescission of this Memo by the SPE. Additional instructions related to this Memo may be issued by the Senior Procurement Executive, Deputy Managing Director, and the Supervisory Procurement Analyst of the MCC CGM Division on an *ad hoc* basis.

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[Attachments](#)

OMB Memo M-25-26 *Overhauling the Federal Acquisition Regulation*