



**U.S. Department
of Transportation**

1200 New Jersey Ave., S.E.
Washington, DC 20590

Office of the Secretary
of Transportation

SUBJECT: Class Deviation No. 2026-03 from the Transportation Acquisition Regulation for TAR Part 1203 in Support of Executive Order 14275, Restoring Common Sense to Federal Procurement

FROM: Chrishaun Jones
Senior Procurement Executive
Office of the Senior Procurement Executive

TO: Department of Transportation Chiefs of the Contracting Offices

- I. Purpose:** This memorandum approves a class deviation to the Transportation Acquisition Regulation (TAR) part 1203 for the purpose of implementing, in the TAR, Federal Acquisition Regulation (FAR) Class Deviation (CD) (No. 2026-04) for FAR part 3 in support of Executive Order (E.O.) 14275, “Restoring Common Sense to Federal Procurement.”
- II. Effective Date:** Immediately.
- III. Background:** On April 15, 2025, [Executive Order \(E.O.\) 14275, Restoring Common Sense to Federal Procurement](#) was signed. Section 2 of the E.O. establishes 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.” The Revolutionary FAR Overhaul (RFO) initiative will make the FAR more concise, understandable, and focused on core procurement requirements. This also applies to agency supplements to the FAR.

Under this initiative, 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- Remove duplicative or outdated language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 RFO FAR part 3 model deviation text upon which this RFO TAR part 1203 deviation is also based, establishes bedrock principles. The Department of Transportation (DOT) issued [FAR CD 2026-04](#) for FAR part 3 on October 8, 2025.

To ensure alignment with issued E.O.s and the RFO FAR part CD, it is necessary to issue this RFO TAR CD in advance of a proposed rule to implement these requirements to ensure DOT

policies and procedures align with these requirements. DOT intends on conducting further analysis and developing a rule for publication in the Federal Register for public comment after the release of this CD, and after FAR proposed and final rules are published.

IV. Summary of Changes: The following table is not an exhaustive list but includes notable updates to TAR part 1203:

Change	Description
New/Retained/Updated	General – Updated TAR content to align with RFO FAR part 3. All subparts remain and keep the same structure. • Subpart 1203.1, Safeguards. Retained – no revisions. ○ 1203.101-3, Agency regulations. • Subpart 1203.2, Contract Gratuities to Government Personnel ○ 1203.203, Reporting suspected violations of the Gratuities clause. ▪ Paragraph (a) - removed two “shall’s” replacing with a “must” and “will” as appropriate to the actor(s). ○ 1203.204, Treatment of violations. ▪ Paragraphs (b) and (c) – replaced two “shall’s” with “must’s” to align with RFO FAR part 3 drafting convention. • Subpart 1203.3, Reports of Suspected Antitrust Violations ○ Removed one section – 1203.203 as noted below. ○ 1203.303, Reporting suspected antitrust violations. ▪ Redesignated paragraph (b) as (a) and replaced two “shall’s” with “must’s” to align with RFO FAR part 3 drafting convention. ▪ Added specific reference to “Attorney General” to align with RFO FAR 3.303. • Subpart 1203.4, Contingent Fees ○ 1203.405, Misrepresentations of violations. ▪ Paragraph (a) – replaced two “shall’s” with “must’s” to align with RFO FAR part 3 drafting convention. • Subpart 1203.5, Other Improper Business Practices ○ 1203.502-2, Subcontractor kickbacks. ▪ Removed the paragraph (g) designation. Revised one “shall” to “must” to align with RFO FAR part 3 drafting convention. • Subpart 1203.7, Voiding and Rescinding Contracts. Retained – no revisions. ○ 1203.703, Authority. • Subpart 1203.9, Whistleblower Protections for Contractor Employees ○ 1203.905-1, Remedies. Renumbered / redesignated section to align with RFO part 3. ○ Revised FAR citations to align with new numbering in FAR subpart 3.9.
Removed	General – Text has been deleted in the subparts or sections below to remove non-statutory guidance. • Subpart 1203.3, Reports of Suspected Antitrust Violations

	○ 1203.301, General. Removed to align with RFO FAR subpart 3.3. ○ FAR 3.301 removed as it provided general background on anticompetitive practices but contained no enforceable rule or procedure, making the same TAR section unnecessary and duplicative of content retained at 1203.303.
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- V. Required Actions:** Contracting Officers shall follow the RFO TAR part 1203 deviation text, in lieu of TAR part 1203 as codified at 48 CFR, chapter 12. The RFO TAR deviation text is shown in the Attachment.

Chiefs of the Contracting Offices (COCOs) must ensure this deviation is disseminated to the acquisition workforce and ensure compliance with the requirements in the CD.

- VI. Applicability:** This CD applies to all DOT Operating Administrations (OAs), the Office of the Secretary of Transportation (OST), and the Office of the Inspector General (OIG), excluding the Federal Aviation Administration (FAA) in accordance with RFO TAR 1201.103-70(b).
- VII. Authority:** This CD is issued under the authority of RFO FAR 1.304, Class deviations; TAR 1201.404, Class deviations; and the revised citation at RFO TAR 1201.304, for the purpose of implementing policy in the TAR to comply with requirements of certain E.O.s, statutes, and other directives in DOT FAR CD No. 2026-04.
- VIII. Expiration Date:** This CD will remain in effect until it is incorporated into the TAR, superseded, or is otherwise rescinded, whichever occurs first.
- IX. Point of Contact:** Questions or comments regarding this deviation may be directed to DOTAcquisitionPolicy@dot.gov.

Attachment:

- A. RFO TAR Part 1203 Deviation Text – Bold/Bracketed/Line-in Line-Out (BB-LILO)

Transportation Acquisition Regulation (TAR) Class Deviation (CD) No. 2026-03

Attachment A

RFO TAR Part 1203 Deviation Text

TAR Text Baseline is 48 CFR chapter 12 as of June 2, 2026.

Additions are shown as **[bolded and bracketed]** and deletions are shown in strikethrough ~~deletions~~. TAR Text unchanged shown as asterisks.

Part 1203—Improper Business Practices and Personal Conflicts of Interest (RFO DEVIATION)

Subpart 1203.1—Safeguards

1203.101-3 Agency regulations.

Subpart 1203.2—Contractor Gratuities to Government Personnel

1203.203 Reporting suspected violations of the Gratuities clause.

1203.204 Treatment of violations.

Subpart 1203.3—Reports of Suspected Antitrust Violations

~~1203.301—General.~~

1203.303 Reporting suspected antitrust violations.

Subpart 1203.4—Contingent Fees

1203.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

Subpart 1203.5—Other Improper Business Practices

1203.502-2 Subcontractor kickbacks.

Subpart 1203.7—Voiding and Rescinding Contracts

1203.703 Authority.

Subpart 1203.9—Whistleblower Protections for Contractor Employees

1203.90[5-1]6 Remedies.

Authority: [5 U.S.C. 301](#); [41 U.S.C. 1121\(c\)\(3\)](#); [and] [41 U.S.C. 1702](#); and ~~[48 CFR 1.301](#)~~
through [1.304](#).

PART 1203—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST (RFO DEVIATION)

Subpart 1203.1—Safeguards

1203.101-3 Agency regulations.

(a) Standards of Ethical Conduct for Employees of the Executive Branch, [5 CFR part 2635](#), and the Supplemental Standards of Ethical Conduct for Employees of the Department of Transportation, [5 CFR part 6001](#), apply to all DOT employees.

Subpart 1203.2—Contractor Gratuities to Government Personnel

1203.203 Reporting suspected violations of the Gratuities clause.

(a) Suspected violations of the Gratuities clause ~~shall~~**[must]** be reported to the contracting officer responsible for the acquisition (or the Chief of the Contracting Office (COCO) if the contracting officer is suspected of the violation). The contracting officer (or COCO) ~~shall~~**[will]** obtain from the person reporting the violation, and any witnesses to the violation, the following information—

- (1) The date, time, and place of the suspected violation;
- (2) The name and title (if known) of the individual(s) involved in the violation; and
- (3) The details of the violation (*e.g.*, the gratuity offered or intended) to obtain a contract or favorable treatment under a contract.

(b) The person reporting the violation and witnesses (if any) should be requested to sign and date the information certifying that the information furnished is true and correct. The COCO shall report suspected violations to the Office of the Inspector General (OIG), 1200 New Jersey Avenue SE, Washington, DC 20590, with a copy to General Counsel and the OA's Chief Counsel.

1203.204 Treatment of violations.

(a) The HCA is authorized to determine whether a Gratuities clause violation has occurred. If the HCA has been personally and substantially involved in the procurement, DOT legal counsel advice should be sought to determine if a substitute for the HCA should be designated.

(b) The COCO ~~shall~~**[must]** ensure that the contractor is afforded the hearing procedures required by FAR 3.204(b). Government legal counsel should be consulted regarding the appropriateness of the hearing procedures.

(c) If the HCA determines that the alleged gratuities violation occurred during the “conduct of an agency procurement”, the COCO ~~shall~~**[must]** consult with DOT legal counsel regarding the approach for appropriate processing of either the Procurement Integrity Act violation and/or the Gratuities violation.

Subpart 1203.3—Reports of Suspected Antitrust Violations

~~1203.301 General.~~

~~(b) The same procedures contained in 1203.203 shall be followed for suspected antitrust violations, except reports of suspected antitrust violations shall be coordinated with DOT legal counsel for referral to the Department of Justice, if deemed appropriate.~~

1203.303 Reporting suspected antitrust violations.

~~([a]b)~~ The same procedures contained in 1203.203 ~~shall~~**[must]** be followed for suspected antitrust violations, except reports of suspected antitrust violations ~~shall~~**[must]** be coordinated with legal counsel for referral to the Department of Justice, **[Attorney General,]** if deemed appropriate.

Subpart 1203.4—Contingent Fees

1203.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

(a) The same procedures contained in 1203.203 ~~shall~~**[must]** be followed for reporting the attempted or actual exercise of improper influence, misrepresentation of a contingent fee arrangement, or other violation of the Covenant Against Contingent Fees (*see* FAR 52.203-5), except reports of misrepresentation or violations of the Covenant Against Contingent Fees ~~shall~~**[must]** be coordinated with DOT legal counsel for referral to the Department of Justice, if deemed appropriate.

Subpart 1203.5—Other Improper Business Practices

1203.502-2 Subcontractor kickbacks.

~~(g)~~ The same procedures contained in 1203.203 ~~shall~~**[must]** be followed for reporting a violation of [41 U.S.C. chapter 87](#), Kickbacks.

Subpart 1203.7—Voiding and Rescinding Contracts

1203.703 Authority.

(a) The head of the contracting activity (HCA) is authorized by the Secretary of Transportation to declare void and rescind contracts and other transactions listed in Public Law 87-849 ([18 U.S.C. 218](#)), in which there has been a final conviction for bribery, conflict of interest, or any other violation of [18 U.S.C. 201-224](#).

(b) The Head of the Operating Administration (HOA) is authorized to make determinations, in accordance with FAR 3.703(b)(2).

Subpart 1203.9—Whistleblower Protections for Contractor Employees

1203.90[5-1]6-Remedies.

(a) The HCA is authorized to make determinations and take actions under FAR 3.90[5-1]6(a).

(b) The HCA is authorized to take actions under FAR 3.90[5-1]6(b).
