



**U.S. Department
of Transportation**

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

Office of the Secretary
of Transportation

SUBJECT: Class Deviation No. 2026-31 from the Transportation Acquisition Regulation for TAR Part 1231 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 1231 for the purpose of implementing, in the TAR, Federal Acquisition Regulation (FAR) Class Deviation (CD) (No. 2025-12) for FAR part 31 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- Remove duplicative or outdated language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 31 model deviation text upon which this RFO TAR part 1231 deviation is also based, establishes bedrock principles. The Department of Transportation (DOT) issued [FAR CD 2025-12](#) for FAR part 31 on August 5, 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 1231:

Change	Description
New/Retained/Updated	General – Updated TAR content and headings to align with RFO FAR Part 31. • Subpart 1231.2—Contracts with Commercial Organizations ○ Revises title to conform with RFO FAR subpart 31.2 with lowercase “w” in “with.” ○ 1231.205-32, Precontract costs. Revised numbering and title from 1231.205-3270, Precontract costs—incurrence of costs, to current numbering/title. ▪ Aligns with RFO FAR part/section. ▪ Streamlines text and combines two paragraphs, removing unnecessary non-regulatory guidance. ▪ Provides agency policy and the prescription for clause 1252.231-70, Precontract Incurrence of Costs. • TAR Clause 1252.231-70, Precontract Incurrence of Costs (APR 2026)(RFO DEVIATION). ○ Updates title of clause to more accurately reflect content and updates the prescription citation to its new designation. ○ Revises clause to current RFO FAR drafting principles and removes unnecessary “shall.”
Removed	General – Text has been deleted in the sections below to remove non-statutory guidance. • Subpart 1231.2, Contracts with Commercial Organizations. ○ 1231.205, Selected costs. Removed as a header/title with no text. ○ 1231.205-3270, Precontract costs—incurrence of costs. Updated numbering and title designation as noted in New/Retained/Updated summary above. ▪ Removed text at bottom of existing paragraph (a) as more appropriate to internal agency guidance and not required in the TAR. ▪ Merged paragraph (b) of existing clause into one paragraph as reflected in the new section 1231.205-32, Precontract costs as shown in the summary above and deviated text below.

- V. **Required Actions:** Contracting Officers shall follow the RFO TAR part 1231 deviation text, including the corresponding part 1252 deviation text, in lieu of TAR part 1231 and part 1252 as codified at 48 CFR, chapter 12. The RFO TAR deviation text is shown in the Attachment including any cognizant TAR part 1252 solicitation provisions or contract clauses prescribed in TAR part 1231.

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.

For new solicitations, contracts or orders:

- Include applicable deviated provisions and clauses (marked **(APR 2026)(RFO Deviation)**) as attached.

For open solicitations:

- The contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in an awarded contract.

For existing contracts and orders:

- No action required for the clause associated with this class deviation.

- 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. 2025-12.
- 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 1231 & Applicable Part 1252 Deviation Text – Bold/Bracketed/Line-in Line-Out (BB-LILO)

Transportation Acquisition Regulation (TAR) Class Deviation (CD) No. 2026-31

Attachment A

RFO TAR Part 1231 and 1252 Deviation Text

TAR Text Baseline is 48 CFR chapter 12 as of March 26, 2026.

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

Part 1231—Contract Cost Principles and Procedures

Subpart 1231.2—Contracts ~~W~~[w]ith Commercial Organizations

~~1231.205~~ Selected costs.

~~1231.205-3270~~ Precontract costs—~~incurrence of costs~~.

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 1231—CONTRACT COST PRINCIPLES AND PROCEDURES

Subpart 1231.2—Contracts ~~W~~[w]ith Commercial Organizations

~~1231.205 Selected costs.~~

1231.205-3270 Precontract costs—~~incurrence of costs.~~

~~(a) The decision to incur precontract costs is the responsibility of the contractor. DOT officials shall~~**[may]** not authorize, demand, or require a contractor to incur precontract costs. **[When the contracting officer determines that incurring precontract costs is necessary to meet the proposed contract delivery schedule of a cost-reimbursement contract, insert the clause at 1252.231-70, Date of Incurrence of Costs, in the resultant contract.]** ~~The contracting officer may advise the prospective contractor that any costs incurred before contract award are at the contractor's sole risk and that if negotiations fail to result in a binding contract, payment of these costs may not be made by the Government.~~

~~(b) When the contracting officer determines that incurring precontract costs was necessary to meet the proposed contract delivery schedule of a cost reimbursement contract, the clause at 1252.231-70, Date of Incurrence of Costs, may be inserted in the resultant contract.~~

Part 1252 – Solicitation Provisions and Contract Clauses

Subpart 1252.2—Text of Provisions and Clauses

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1252.231-70 ~~Date of~~[Precontract] Incurrence of Costs.

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1252.231-70 ~~Date of~~[Precontract] Incurrence of Costs.

As prescribed in 1231.205-3270(b), insert the following clause:

~~Date of~~ [Precontract] Incurrence of Costs (~~NOV-2022~~[APR 2026]) [(RFO Deviation)]

The Contractor ~~shall be~~ [is] entitled to reimbursement for costs incurred on or after _____ [Contracting Officer insert date] in an amount not to exceed \$ _____ [Contracting Officer insert amount] that, if incurred after this contract had been entered into, would have been reimbursable under this contract.

(End of clause)

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