



Homeland
Security

MEMORANDUM FOR: Heads of Contracting Activities

FROM: Paul Courtney
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SUBJECT: HSAR Class Deviation (Number 25-12) for HSAR Part 3040 in
Support of Executive Order on Restoring Common Sense to
Federal Procurement

- 1. Purpose.** This memorandum approves a class deviation to the Homeland Security Acquisition Regulation (HSAR) part 3040 for purposes of implementing Federal Acquisition Regulation Class Deviation (Number 25-23) for FAR Part 40 in support of Executive Order 14275 on Restoring Common Sense to Federal Procurement.
- 2. Background.** [Executive Order \(E.O.\) 14275, Restoring Common Sense to Federal Procurement](#), signed April 15, 2025, mandates a comprehensive review and simplification of the Federal Acquisition Regulation.

The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements. Department of Homeland Security (DHS) FAR Class Deviation Number 25-23 for FAR Part 40 was issued on August 28, 2025.

- 3. Summary of Changes.** HSAR Part 3040, Information Security and Supply Chain Security, has been updated to align with DHS FAR Class Deviation Number 25-23.

In addition, this deviation revises the numbering of HSAR clauses 3052.204-71, 3052.204-72, and 3052.204-73, as 3052.240-71, 3052.240-72 and 3052.240-73, respectively, in Part 3052 to align with the new FAR structure. No changes are made to the clause text. Further, the prescriptions for DHS-specific clauses formerly located in HSAR Subpart 3004 have

been relocated to HSAR 3040.370-4, Contract clauses, and updated to reference the renumbered clauses at 3052.240-71, 3052.240-72 and 3052.240-73. No substantive changes are made to the clause text.

Statutory requirements retained in the FAR Class Deviation 25-23 for Part 40 include, but are not limited to, the following:

- 41 U.S.C. §§ 1321 et seq, Federal Acquisition Supply Chain Security Act (FASCSA)
- 41 U.S.C. § 4713, Authorities Related to Mitigating Supply Chain Risks in the Procurement of Covered Articles
- 44 U.S.C. §§ 3501 et seq, Federal Information Policy
- Pub. L. 115-91 Section 1634, Prohibition on Use of Products and Services Developed or Provided by Kaspersky Lab
- Pub. L. 115-232 Section 889, Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment
- Pub. L. 115-232 Section 1758, Requirements to Identify and Control the Export of Emerging and Foundational Technologies
- Pub. L. 115-390, Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology Act (SECURE Technology Act)
- Pub. L. 117-328 Div R Section 102, Prohibition on the Use of TikTok
- Pub. L. 118-31 Section 1823, Prohibition on Procurement of Covered Unmanned Aircraft Systems from Covered Foreign Entities.

4. **Instructions.** The DHS acquisition workforce shall follow this HSAR Part 3040 deviation text as codified at 48 CFR Chapter 30.
5. **Applicability.** This class deviation applies to all DHS procurements.
6. **Authority.** This class deviation is issued under the authority of E.O. 14275, [OMB M- 25-25](#), 48 CFR 1.4, and RFO FAR 1.304.
7. **Effective Date.** This class deviation is effective November 3, 2025, and remains in effect until rescinded or incorporated into the HSAR.
8. **Points of Contact.** Questions regarding this class deviation may be directed to Acquisition Policy and Legislation Branch at Acquisition.Policy@hq.dhs.gov.

Attachments: HSAR Class Deviation 25-12 for HSAR Part 3040 Information Security and Supply Chain Security (DEVIATION) (SEP 2025) – CLEAN VERSION

PART 3040 INFORMATION SECURITY AND SUPPLY CHAIN SECURITY

Subpart 3040.3 Safeguarding Information

- 3040.370 Security requirements for access to unclassified facilities, information resources, and controlled unclassified information.
- 3040.370-1 Scope.
- 3040.370-2 Definitions.
- 3040.370-3 Policy.
- 3040.370-4 Contract clauses.

3040.3 Safeguarding Information.

3040.370 Security requirements for access to unclassified facilities, information resources, and controlled unclassified information.

3040.370-1 Scope.

This section implements DHS policies for assuring adequate security of unclassified facilities, information resources, and controlled unclassified information (CUI) during the acquisition lifecycle.

3040.370-2 Definitions.

As used in this subpart—

Incident means an occurrence that—

- (1) Actually, or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or
- (2) Constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies.

3040.370-3 Policy.

(a) DHS requires that CUI be safeguarded when it resides on DHS-owned and operated information systems, DHS-owned and contractor-operated information systems, contractor-owned and/or operated information systems operating on behalf of the Department, and any situation where contractor and/or subcontractor employees may have access to CUI because of their relationship with DHS. There are several Department policies and procedures (accessible at <https://www.dhs.gov/dhs-security-and-training-requirements-contractors>) that also address the safeguarding of CUI. Compliance with these policies and procedures, as amended, is required.

(b) DHS requires contractor employees that require recurring access to government facilities or access to CUI to complete such forms as may be necessary for security or other reasons,

including the conduct of background investigations to determine fitness. Department policies and procedures that address contractor employee fitness are contained in Instruction Handbook Number 121-01-007, The Department of Homeland Security Personnel Suitability and Security Program. Compliance with these policies and procedures, as amended, is required.

3040.370-4 Contract clauses.

(a) Contracting officers shall insert the basic clause at (HSAR) 48 CFR 3052.240-71, Contractor Employee Access, in solicitations and contracts when contractor and/or subcontractor employees require recurring access to government facilities or access to CUI. Contracting officers shall insert the basic clause with its Alternate I for acquisitions requiring contractor access to government information resources. For acquisitions in which contractor and/or subcontractor employees will not have access to government information resources, but the Department has determined contractor and/or subcontractor employee access to CUI or government facilities must be limited to U.S. citizens and lawful permanent residents, the contracting officer shall insert the clause with its Alternate II. Neither the basic clause nor its alternates shall be used unless contractor and/or subcontractor employees will require recurring access to government facilities or access to CUI. Neither the basic clause nor its alternates should ordinarily be used in contracts with educational institutions.

(b)(1) Contracting officers shall insert the clause at (HSAR) 48 CFR 3052.240-72, Safeguarding of Controlled Unclassified Information, in solicitations and contracts where:

- (i) Contractor and/or subcontractor employees will have access to CUI; or
- (ii) CUI will be collected or maintained on behalf of the agency.

(2) Contracting officers shall insert the basic clause with its alternate when Federal information systems, which include contractor information systems operated on behalf of the agency, are used to collect, process, store, or transmit CUI.

(c) Contracting officers shall insert the clause at (HSAR) 48 CFR 3052.240-73, Notification and Credit Monitoring Requirements for Personally Identifiable Information Incidents, in solicitations and contracts where contractor and/or subcontractor employees have access to PII.