



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary
Washington, D.C. 20201

April 6, 2020

MEMORANDUM FOR: Heads of Contracting Activity

FROM: David R. Dasher //s//

Deputy Assistant Secretary for the Office of Acquisitions
Senior Procurement Executive

SUBJECT:

Class Deviation (2020-02) from the Federal Acquisition Regulation Regarding Accelerated Payments to Small Business Contractors and Subcontractors

PURPOSE:

This memorandum approves a class deviation from the Federal Acquisition Regulation (FAR) to provide for accelerated payments to small business contractors and subcontractors.

EFFECTIVE DATE:

Immediately

EXPIRATION DATE:

This FAR class deviation is effective upon signature and remains in effect until it is incorporated in the FAR or is otherwise rescinded.

BACKGROUND:

The Civilian Agency Acquisition Council (CAAC) has issued CAAC Letter 2020-02, dated April 6, 2020, allowing agencies to authorize a class deviation to implement Section 873 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2020 [(Pub. L. 116-92), which amended 31 U.S.C. 3903], to provide for accelerated payments to contractors that are small businesses, and to small business subcontractors by accelerating payments to their prime contractors.

AUTHORITY:

This class deviation is issued under the authority of FAR 1.404 and HHSAR 301.4. This deviation is issued following consultation with the Chair of the Civilian Agency Acquisition Council (CAAC) in accordance with FAR 1.404(a) and the HHS Senior Procurement Executive in accordance with HHSAR 301.401.

DEVIATION:

The areas of the FAR being amended by this class deviation are shown in the Attachment to this Memorandum.

APPLICABILITY:

This class deviation applies to all solicitations and contracts.

CAAC CONSULTATION:

The attached memorandum from the Chairman of the Civilian Agency Acquisition Council constitutes the consultation required by FAR 1.404 for class deviations.

Questions or comments pertaining to this class deviation may be directed to Shari Shor, Office of Acquisition Policy at 202-731-3382 or Shari.Shor@hhs.gov .

Attachment: CAAC LETTER 2020-02, including Attachment – FAR Deviation Text.

(Class Deviation 2020-02)