



September 8, 2025

Mr. Mathew Blum
Acting Administrator
Office of Federal Procurement Policy
Office of Management and Budget
Washington, DC 20503

Subject: Feedback on Federal Acquisition Regulation Overhaul – Part 35

Dear Mr. Blum,

Representing the nation's leading aerospace and defense companies, the Aerospace Industries Association (AIA) supports ongoing efforts to modernize and simplify regulatory frameworks, including the initiative to overhaul the Federal Acquisition Regulation (FAR). AIA values the opportunity to contribute informal input throughout the FAR Overhaul effort and has already shared feedback on several of the revisions released to date.¹ We are pleased to now offer comments in response to the proposed changes contained within the model deviation guidance for FAR Part 35 (Research and Development Contracting).

1. **Contract Types for Research & Development:** The revised FAR Part 35 eliminates discussion of appropriate contract types, including language which cautioned against the use of fixed price contracts for research and development (R&D) work due to the immature nature of such work. AIA understands the intent of this revision is to remove redundancy as contract type definitions and recommended usage are identified in FAR Part 16. However, removing language which clarified "the use of cost-reimbursement contracts is usually appropriate" for R&D may inadvertently lead to the use of fixed-price contracts on work that lacks precise specifications, and which are based upon inaccurate cost estimates. To avoid this, AIA recommends ensuring the revised FAR Part 16 re-write includes language that addresses the appropriate use of cost-reimbursement contracts for R&D work and cautions against the use of fixed-price contracts due to the inherent uncertainty and lack of precise specifications (Citation: original FAR Subpart 35.006(c)).
2. **Solicitations:** The revised FAR Part 35 introduces ambiguity as to the solicitation process by eliminating prior reference to "apparently qualified" sources at Subpart 35.101(b). The original FAR Subpart 35.007(b) clarified that proposals should be solicited from technically qualified sources and, if not practicable to solicit from "all apparently qualified sources," only a reasonable number need be solicited. The removal of "apparently" in the revised FAR Subpart 35.101(b) may inadvertently change the scope of solicitation in unintended ways. To ensure clarity, AIA recommends retaining the original language (Citation: original FAR Subpart 35.007(b)).
3. **Evaluation for Award:** FAR Part 35 provides general guidance for how to evaluate proposals and best determine contract award. While long-standing policy has been to award R&D contracts to the organization that proposes the best ideas and concepts and has the highest competence, *awards should not be made to obtain capabilities that*

¹ [AIA Feedback on Revised FAR Parts 1, 10, 34](#); [AIA Feedback on Revised FAR Parts 11, 18, 39, 43](#); [AIA Feedback on Revised FAR Part 6](#); [AIA Feedback on Revised FAR Parts 29, 31](#)

exceeded those needed for successful performance of the work. This language established clear parameters when evaluating proposals for contract award. However, the revised FAR Subpart 35.201(a) streamlines the guidance and inadvertently introduces ambiguity by instead stating: “R&D contracts should be awarded to the organization with the best ideas and highest level of expertise, but not such that the *capabilities exceed the requirement.*” To ensure clear intent and understanding of how proposals are evaluated, AIA recommends retaining the original language (Citation: original FAR Subpart 35.008(a)).

4. **Sharing of Contract Results:** While AIA supports the intent of the policy established at the revised FAR Subpart 35.301(b) to share R&D contract results with other government activities and the private sector, it is important to protect contract data. As such, AIA recommends substituting a semicolon between the first and second sentence of the revised FAR Subpart 35.301(b). This will provide greater context that the first sentence is conditioned upon the compliance with the second sentence, which emphasizes protection of data (Citation: revised FAR Subpart 35.3(b)).

AIA commends the initiative to streamline, simplify, and modernize the federal procurement process. AIA and its member companies are eager to collaborate with the Office of Management and Budget on the FAR Overhaul and look forward to reviewing and offering feedback on the revised FAR Parts as the effort moves forward.

Thank you for considering our views. Please direct any questions to the undersigned at margaret.boatner@aia-aerospace.org or 703-358-1085.

Sincerely,

A handwritten signature in black ink that reads "Margaret Boatner". The signature is written in a cursive, flowing style.

Margaret Boatner
Vice President, National Security Policy