

October 20, 2025

Dr. Kevin Rhodes Administrator Office of Federal Procurement Policy Office of Management and Budget Washington, DC 20503

Subject: Feedback on Federal Acquisition Regulation Overhaul – Part 44

Dear Dr. Rhodes,

On behalf of the Aerospace Industries Association (AIA), representing the nation's leading aerospace and defense companies, we appreciate the opportunity to provide informal feedback on the proposed revisions to the Federal Acquisition Regulation (FAR) as part of the FAR Overhaul initiative. We applaud efforts to streamline, simplify, and modernize the federal procurement process, and have been actively engaged in providing feedback on FAR revisions released to date. We are now pleased to offer the comments and recommendations below on the proposed revisions to FAR Part 44 (Subcontracting Policies and Procedures).

FAR Part 44: Subcontracting Policies and Procedures

1. Responsibility for Granting, Withholding, or Withdrawing Approval of Contractor Purchasing Systems: The revised FAR Part 44 shifts the responsibility for granting, withholding, or withdrawing approval of a contractor's purchasing system from the "cognizant Administrative Contracting Officer (ACO)" to the "contracting officer." While perhaps intended to streamline language, this change could inappropriately grant broader authorities to contracting officers as it relates to Contractor Purchasing System Reviews (CPSRs). ACOs are the appropriate authority for conducting CPSRs, which span multiple contracts and require a broad view of a contractor's purchasing system. In contrast, a contracting officer may only have cognizance over a single contract and may not be fully aware of the potential impact of withholding or withdrawing approval on contracts beyond their scope. As such, AIA recommends retaining the original language, which makes clear this responsibility belongs to the cognizant ACO (Citation: original FAR Subpart 44.305-1).

Additionally, the decision to withhold a contractor purchase system can have significant implications for the contractor, potentially disrupting procurement timelines and operational readiness. To mitigate the frustration and perceived unfairness that may arise when such a withhold occurs, the AIA recommends establishing an informal appeal or secondary review process under FAR Subpart 44.301-3. This mechanism could help alleviate animus by offering contractors a transparent and constructive avenue to address concerns and seek resolution (Citation: revised FAR Subpart 44.301-3).

2. Consent for Subcontracts or Classes of Subcontracts: The revised FAR Part 44 replaces "exceptional circumstances" with "certain circumstances" in describing when

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; AIA Feedback on Revised FAR Part 35; AIA Feedback on Revised FAR Part 50; AIA Feedback on Revised FAR Part 5; AIA Feedback on Revised FAR Parts 9, 33, 49; AIA Feedback on Revised FAR Parts 4, 8, 12, 40; AIA Feedback on Revised FAR Part 30

consent to subcontract may be required even though the contractor's purchasing system has been approved. The original term—"exceptional circumstances"—set a high threshold for requiring consent, ensuring that such requirements were only imposed when truly necessary. The revised language—"certain circumstances"—is ambiguous and may lead to inconsistent application, increased administrative burden, and delays in subcontract placement. As such, AIA recommends retaining the original "exceptional circumstances" language (Citation: original FAR Subpart 44.305-2(b)).

- 3. Considerations for Consent to Subcontracts: The revised FAR Part 44 removes a list of considerations for a contracting officer to assess before consenting to a subcontract. The removal of these detailed considerations gives considerable discretion to contracting officers and may result in inconsistent application across contracts potentially creating an unlevel playing field. To provide clear, consistent guidance to contracting officers and ensure fair competition and predictable expectations, AIA recommends retaining standardized considerations (Citation: original FAR Subpart 44.202-2).
- 4. Extent of Review for CPSRs: The revised FAR Part 44.301 removes context on the extent of CPSRs. Eliminating this section removes important criteria for evaluating contractor purchasing systems. It also removes clarity as to when such an evaluation is unnecessary (e.g., subcontracts awarded pursuant to FAR Part 12 or competitively awarded firm fixed-price contracts). Without these standards, CPSRs may become less consistent and more subjective. To help ensure that evaluations are comprehensive, fair, and aligned with best practices, AIA recommends retaining the original guidance (Citation: original FAR Subpart 44.303).

AIA and its member companies stand ready to partner with the Office of Management and Budget on the FAR Overhaul, and we look forward to reviewing and providing feedback on the revised FAR Parts as the effort progresses.

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

Sincerely,

Margaret Boatner

Vice President, National Security Policy

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