

September 15, 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 50

Dear Mr. Blum,

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 Federal Acquisition Regulation (FAR) Part 50 (Extraordinary Contractual Actions and the Safety Act). We commend the Administration's continued efforts to modernize and streamline the FAR and have offered feedback on several revisions released to date. Recognizing the importance of ensuring efficiency, clarity, and fairness in the application of extraordinary relief provisions, our member companies have reviewed the proposed changes to FAR Part 50 and offer the comments and recommendations below.

- 1. **Dispute Processes:** The revised FAR Part 50 states "the disputes process in part 33 must be followed *before* pursuing extraordinary contract relief under this part [50]." This statement appears to contradict long-standing policy which allows for settlement, in certain cases, under FAR Part 50 before pursuing a formal dispute under FAR Part 33. As such, it could restrict access to extraordinary relief under FAR Part 50. AIA recommends clarifying that FAR Part 50 relief is available prior to exhausting remedies under FAR Part 33, consistent with the intent of Public Law 85-804 (Citation: original FAR Subpart 50.101-2(c)).
- 2. Contract Adjustment Requests: The revised FAR Part 50 includes a requirement for submission of duplicate hard copies when requesting contract adjustments. This requirement is outdated and does not reflect standard business practices in 2025, where digital submissions are the norm. As such, AIA recommends revising the language to allow for submission of electronic copies (Citation: revised FAR Subpart 50.103-3(a)).
- 3. Disposition of Contract Adjustment Requests: The revised FAR Part 50 appears to eliminate the requirement for the government to provide a rationale for denial of a contractor's request for adjustment. To ensure accountability and transparency between the government and its industry partners, AIA recommends retaining the requirement for the government to provide rationale for denial to the contractor (Citation: original FAR Subpart 50.103-6(d)).
- **4. Insurance Description:** Under the revised FAR Part 50, when requesting indemnification pursuant to Subpart 50.104-3(a)(1)(iii)(B), contractors are required to provide a description of the types of insurance provided, risks insured against, and level of coverage. Industry liability insurance policies provide broadly based coverage, and the

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<sup>&</sup>lt;sup>1</sup> 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

policies are not specific to any type of incident. Given the broad nature of industry insurance policies and to allow flexibility in describing coverage, AIA recommends this language be revised to strike out "with emphasis on identifying the risks insured against and the coverage extended to persons or property, or both." (Citation: revised FAR Subpart 50.104-3(a)(1)(iii)(B)).

**5. Contract Clause:** To ensure uniform application and mitigate risk of inconsistent interpretations, AIA recommends adding the following sentence at the end of the paragraph: "The clause and its Alternate I must be used without deviation or modification in all contracts where indemnification under Public Law 85-804 is extended." (Citation: revised FAR Subpart 50.104-4).

AIA applauds efforts to streamline, simplify, and modernize the federal procurement process. 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