



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3000

APR 18 2003

DPAP(DAR)

In reply refer to  
DAR Tracking Number: 2003-O0002

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES  
ACTING DEPUTY ASSISTANT SECRETARY OF THE ARMY,  
(POLICY AND PROCUREMENT), ASA(ALT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(ACQUISITION MANAGEMENT), ASN(RDA)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC  
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY  
EXECUTIVE DIRECTOR, ACQUISITION, TECHNOLOGY AND  
SUPPLY DIRECTORATE (DLA)

**SUBJECT:** Class Deviation–Federal Acquisition Regulation (FAR) Concerning  
Implementation of the Homeland Security Act Provisions Relating to  
Procurements for Defense Against or Recovery from Terrorism or Nuclear,  
Biological, Chemical or Radiological Attack

Sections 852 through 856 and section 858 of the Homeland Security Act of 2002 increase certain statutory thresholds and authorize the expanded use of certain statutory authorities in connection with procurements of supplies or services that, as determined by the head of an agency, will be used to facilities defense against or recovery from terrorism, nuclear, biological, chemical, or radiological attack.

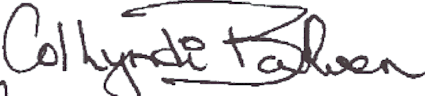
Specifically, section 852 of the Act provides that the authorities granted in the subtitle apply to acquisitions of supplies or services by or for an executive agency that, as determined by the head of the executive agency, are to be used to facilitate defense against or recovery from terrorism or nuclear, biological, chemical or radiological attack. Section 853 increases the simplified acquisition threshold to \$200,000 (\$300,000 for contracts awarded and performed outside the United States) for Section 852 acquisitions that support humanitarian, peacekeeping operations, or contingency operations. Section 854 increases the micro-purchase threshold to \$7,500 for Section 852 acquisitions. Section 855 allows agencies to treat Section 852 acquisitions as commercial items and removes the \$5 million limitation for the test program for certain commercial



items. Section 856 provides for the use of streamlined acquisition authorities and procedures, and waives the dollar limitations on sole-source 8(a) acquisitions and HUBZone sole-source awards. Section 858 requires market research on an ongoing basis to identify the capabilities available, including small businesses and new entrants into Federal contracting, that can further the defense against or recovery from terrorism or nuclear, biological, chemical or radiological attack.

These provisions were implemented in the Federal Acquisition Regulation by Federal Acquisition Circular (FAC) 2001-12. In order to fully implement these authorities within the Department of Defense, the term in the FAR sections amended by FAC 2001-12, "head of the agency," is hereby replaced with the term, "head of the contracting activity," as defined in FAR Subpart 2.101(b).

This deviation remains in effect until implemented in the Defense Federal Acquisition Regulation Supplement, or otherwise rescinded. My point of contact is Mr. Ron Poussard, Deputy Director, Defense Acquisition Regulations System. He can be reached at 703-602-0302 or ronald.poussard@osd.mil.

  
for Deidre A. Lee  
Director, Defense Procurement  
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cc:  
DSMC, Ft. Belvoir