



CLASS DEVIATION FROM THE FEDERAL ACQUISITION REGULATION

Determination and Findings

In accordance with Civilian Agency Acquisition Council (CAAC) Letter 2023-02, "Class Deviation from the Federal Acquisition Regulation (FAR) Regarding the Threshold for Small Disadvantaged Business (SDB)," the Department of Commerce is authorizing a class deviation to implement the increased threshold published by the Small Business Administration (SBA) in its regulation at 13 CFR 124.104(c)(2).

Findings

- The Small Business Administration published an interim final rule in the Federal Register at 87 FR 69118, on November 17, 2022, effective December 19, 2022, that increased the net worth threshold for an individual to be eligible as an economically disadvantaged small business concern from \$750,000 to \$850,000.
- The net worth threshold of \$750,000 appears in the FAR within the definition of "small disadvantaged business concern" at:
 - 2.101(b);
 - 52.212-3(a), *Offeror Representations and Certifications – Commercial Products and Commercial Services*;
 - 52.219-1(a), *Small Business Program Representations*; and
 - 52.219-8(a), *Utilization of Small Business Concerns*.
- The CAAC Letter 2023-02 allows agencies to authorize a class deviation to implement the increased threshold to the definitions identified above.
- Contracting Officers are provided deviated language to use in the identified definitions.

Determination

In accordance with FAR 1.404, I hereby authorize this class deviation. The areas of the FAR that are affected by this class deviation are 2.101(b), 52.212-3(a), 52.219-1(a), and 52.219-8(a).

This class deviation will remain in effect until rescinded or incorporated into the FAR.

Approved:
Olivia J. Bradley
Senior Procurement Executive and
Director for Acquisition Management

Date: