

# Preparing for a “Common-Sense” FAR: What Federal Contractors Need to Know About the Trump Administration’s Plans to Streamline the Federal Acquisition Regulation

Article By:

Erin L. Toomey

Frank S. Murray

Caitlin E. Trevillyan

---

In a new [Executive Order](#) issued on April 15, 2025 titled, “Restoring Common Sense to Federal Procurement,” President Trump has directed his Administration to make major revisions to the Federal Acquisition Regulation (FAR)—the voluminous set of rules governing the U.S. Government’s acquisition of products and services—with the stated purpose of making the federal procurement process more “agile, effective, and efficient.” As with many recent executive actions, the instructions to government officials are to undertake dramatic reforms at a breakneck pace, with a significant impact on the rules of the road for companies doing business or seeking to do business with the federal government. In this alert, Foley’s Federal Government Contracts team provides a summary of the key takeaways for government contractors from this latest Executive Order and the Trump Administration’s initiative to produce a streamlined version of the FAR.

## Background:

On January 31, 2025, President Trump issued Executive Order 14192, “Unleashing Prosperity Through Deregulation,” which announced his Administration’s policy of alleviating unnecessary regulatory burdens. This recent Executive Order issued on April 15, 2025 extends the Trump Administration’s deregulatory initiative to the government contracting sector by directing the most significant overhaul of the FAR in more than four decades.

This move represents a dramatic shift in federal procurement policy—one aimed at streamlining the acquisition process, reducing regulatory burdens, and encouraging broader participation in the federal marketplace.

## Key Takeaways for Contractors:

1. **A Mandate for FAR Simplification—Fast.** The Order establishes an aggressive timetable

---

for the proposed revisions to the FAR. As the Order notes, the FAR now fills more than 2,000 pages, and the Order directs the Office of Federal Procurement Policy (OFPP) Administrator, working with the FAR Council and agency heads, to amend the FAR within 180 days. The objective is to retain only provisions that are statutorily required or “otherwise necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests.”

2. **Agency FAR Supplements Are Also Under Review.** Each agency must designate a senior acquisition official within 15 days of the Order to work with the OFPP Administrator and FAR Council to provide recommendations regarding their agency-specific FAR supplements and identify FAR provisions that are inconsistent with the Order’s objective to streamline the FAR by removing unnecessary regulations.
3. **Internal Guidance Issued to Agencies.** Within 20 days of the Order, the Director of the Office of Management and Budget (OMB), with the OFPP Administrator, shall issue a memorandum that provides guidance regarding implementation of these reforms and proposes new agency supplemental regulations that are aligned with the new policy objectives. That guidance from OMB may provide important signals to contractors regarding the portions of the FAR and federal procurement policy most likely to change as part of this reform effort.
4. **Regulatory Sunset for Non-Statutory FAR Clauses.** The Order directs the OFPP Administrator and FAR Council to consider amending the FAR to include a regulatory sunset mechanism that would apply to any non-statutory FAR provision retained after this reform—or added in the future. As proposed in the Order, any non-statutory FAR provision would automatically expire after four years, unless renewed by the FAR Council. This sunset mechanism, if ultimately adopted in the revised FAR, would, at a minimum, require a significant amount of periodic review by the FAR Council of existing regulations, and it could introduce uncertainty regarding the long-term status of certain FAR provisions, complicating contractor compliance planning.
5. **Interim Guidance and Deviations Expected.** To avoid delays, the FAR Council is empowered to issue deviation and interim guidance as needed during the rulemaking process, suggesting that significant FAR changes could begin impacting procurements well before final rules are issued or the government contracting community is given the opportunity to weigh in on those revisions.
6. **Implementation Uncertainty.** While the policy objective of the Order is clear—to simplify the FAR by removing “unnecessary regulations”—it remains to be seen how the FAR Council will execute that objective. The Order allows for retention of some FAR provisions that cannot be tied back to a specific statutory basis, if such provisions are determined “necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests.” Given these subjective considerations, it will bear monitoring to see how the Administrator and the FAR Council interpret those concepts in determining which FAR provisions to keep or cut.

## What This Means for Federal Contractors:

This Executive Order has potentially far-reaching implications:

- **Reduced Complexity:** Contractors may soon face fewer compliance hurdles, especially in acquisitions of commercial products or commercial services.
- **Opportunities for Commercial Vendors:** By directing the elimination of regulatory burdens and requirements, the Order may lead to reduced barriers to entry for new commercial contractors looking to do business with the Federal Government.

- **Uncertainty During Transition:** Contractors should prepare for a period of regulatory uncertainty, as interim guidance may vary across agencies.

### **Concrete Steps Contractors Can Take:**

- **Monitor FAR-Related Rulemakings:** Contractors should closely track upcoming Federal Register notices, and deviation and interim guidance for indications as to how the FAR Council is carrying out the Order's instructions to streamline the FAR.
- **Engage in Public Comment Opportunities:** When proposed FAR rule changes are released for public comment, consider submitting comments to influence the final rulemaking.
- **Be on the Lookout for Agency-Level Changes:** Agency supplements to the FAR are also being reviewed. Contractors should monitor changes to agency-specific procurement regulations that may impact contracting opportunities with those agencies.

We will continue to monitor developments and provide updates as additional guidance is released and implementation proceeds.

© 2025 Foley & Lardner LLP

---

National Law Review, Volume XV, Number 107

Source URL: <https://natlawreview.com/article/preparing-common-sense-far-what-federal-contractors-need-know-about-trump>