



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

May 2, 2025

M-25-26

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

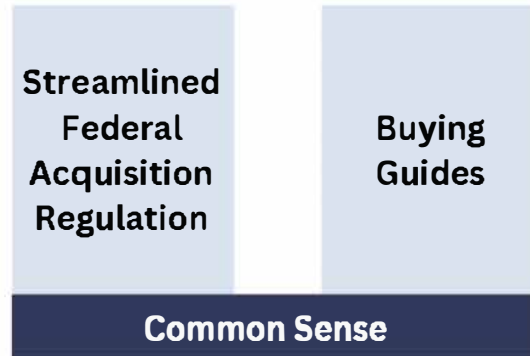
FROM: Russell T. Vought
Director

A handwritten signature in blue ink, appearing to read "R. Vought", is written over the printed name and title of the Director.

SUBJECT: Overhauling the Federal Acquisition Regulation

On April 15, 2025, President Donald J. Trump issued Executive Order (E.O.) 14275, *Restoring Common Sense to Federal Procurement*, which directs the elimination of excessive acquisition regulations to stop the inefficient use of American taxpayer dollars. The nearly 3,000 directives in the Federal Acquisition Regulation (FAR), along with many more at the agency level, impose significant transaction costs for industry and unnecessarily complicate the workforce's ability to deliver cost-effective government services in a timely manner. The E.O. establishes the policy that the FAR should "contain only provisions that are required by statute or that are otherwise necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests." The E.O. further establishes that unnecessary regulation and policy be removed at every level of the enterprise, including at the agency, bureau, and component levels.

To implement the E.O., the Office of Federal Procurement Policy (OFPP) is leading a revolutionary overhaul of the FAR, in coordination with the other members of the Federal Acquisition Regulatory Council – i.e., the General Services Administration (GSA), the Department of Defense (DOD), and the National Aeronautics and Space Administration (NASA) and federal buying agencies. The FAR will be refocused on its statutory roots. Most non-statutory regulations will be replaced with OFPP-endorsed buying guides that highlight proven innovative buying techniques for different phases of the acquisition lifecycle as well solutions and manageable procurement pathways for different types of common goods and services recognized by category management. The streamlined FAR and buying guides, which will collectively be referred to as the *Strategic Acquisition Guidance (SAG)*, and will increasingly leverage technology over time, will provide a common-sense authoritative foundation for nimble response and delivery of mission capability.



Agencies should refer to the Appendix for a roadmap of actions to implement the E.O. and work proactively with OFPP and the FAR Council to support the successful overhaul of the FAR and adoption of the SAG.

Attachment

Appendix

Implementation of the Executive Order to Restore Common Sense to Federal Procurement

The revolutionary FAR overhaul (RFO) envisioned by the Executive Order to restore common sense to federal procurement will involve the following series of government-wide and agency-level actions that move federal buyers away from a regulatory-based, compliance-driven mindset to a more practical, efficient, and timely problem-solving approach. A table summarizing agency responsibilities is provided at the end of this appendix.

1. ***Revolutionary FAR Oversight website.*** The Federal Acquisition Regulatory Council (FAR Council) will launch a dedicated site on Acquisition.gov to inform contractors and interested members of the public of the progress towards development of the SAG. The FAR Council will post deviation guidance with plain language versions of individual FAR parts, and buying guides with innovative procurement techniques for different phases of the acquisition lifecycle and strategies for specific categories of spend prior to formal rulemaking. The website will keep the federal acquisition community informed about past, current, and upcoming events related to the RFO.
2. ***Federal acquisition deregulation.*** As required by the E.O., unnecessary regulation and policy will be removed at every level of the Federal Government, including at the enterprise, agency, bureau, and component levels.
 - a) ***Streamlining the FAR.*** The RFO will address enterprise deregulation in two phases: (1) FAR Council deviation guidance and (2) formal rulemaking.

Phase I: FAR Council deviation guidance. The FAR Council will issue guidance with clear, plain language model deviation text by FAR part, on a rolling basis, which streamlines the regulation back to its statutory base. The revisions will retain limited non-statutory coverage only when necessary to advance core stewardship principles and practices. As examples, the deviation guidance for FAR Part 12, Acquisition of Commercial Products and Services, will eliminate most non-statutory requirements to lower transaction costs for contractors, increase competition for agency requirements, and make it easier for buyers to negotiate better deals for the taxpayer. The FAR Council's deviation guidance for Part 22, Application of Labor Laws on Government Acquisitions, and Part 23, Environment, Sustainable Acquisition, and Material Safety, will build on guidance issued earlier this year by FAR Council members to eliminate nine contract clauses that went beyond statutory anti-discrimination laws and eliminated or modified 10 clauses to remove non-statutory sustainability requirements.

The FAR Council will post general guidance addressing the deviation process and model deviation text per FAR Part, as it is completed, on the RFO website and will include instructions for informal public comment. The FAR Council will not formally respond to the feedback during the deviation guidance phase, but will consider the input, as appropriate, in the formal rulemaking phase (see below).

Agencies should generally issue individual or class deviations to implement the FAR Council's deregulated coverage within 30 days after the model deviation text is released. Appropriate consideration may be given for situations where multiple FAR Part coverage might best be combined into a single deviation to support effective change management with the acquisition workforce. Agencies should provide copies of their deviations to the FAR Secretariat at gsaregsec@gsas.gov for public posting on Acquisition.gov. While this process does not affect agencies' ability to issue individual or class deviations other than those that adopt the FAR Council's deviation text, agencies should limit the issuance of additional class deviations unless absolutely necessary during the RFO. In addition, if an agency determines additional class deviations are absolutely necessary, the deviation should focus on deregulation and not creating new regulatory requirements.

In accordance with section 5 of the E.O., agency points of contact identified pursuant to subsection (b), below, should identify any regulations included in the FAR Council's model deviation guidance that they believe are inconsistent with the policy objectives described in the E.O. to OFPP at MBX.OMB.OFPPv2@OMB.eop.gov.

Phase II: Formal rulemaking. After the FAR Council has posted model deviation guidance for all FAR parts, it will turn to formal rulemaking using the notice and comment process set forth at 41 U.S.C. § 1707. The rulemaking will be informed by the model deviation text, public input on the text received on the RFO website, operational experience with agency deviations, recommendations from agency points of contact identified pursuant to subsection (b), testing of the buying guides, and other appropriate inputs.

In accordance with section 6 of the E.O., all FAR requirements not directed by statute that remain in the FAR will expire four years after the effective date of the rule unless renewed by the FAR Council.

- b) ***Streamlining agency acquisition regulations.*** Agencies should prepare to streamline their FAR supplements to minimize regulations that are not based in statute or executive order and align with the FAR Council's deviation guidance as the FAR is streamlined and reformed. Agency alignment should also address policies that further implement their regulatory supplements. Agencies that are not required to follow the FAR should consider voluntarily adopting the SAG, consistent with applicable laws. As required by section 5(a) of the E.O., agencies shall identify to OFPP, by May 1, 2025, their most senior procurement official to serve as the "agency point of contact." Agencies shall submit quarterly status reports on steps planned or taken with respect to their agency regulations and policies that shall be due 15 days after the end of the quarter, beginning July 15, 2025 through January 15, 2027. The point of contact and status reports should be submitted to MBX.OMB.OFPPv2@OMB.eop.gov.
3. ***Federal buying guides.*** Deregulation will help unleash economic prosperity by removing a substantial restraint on agencies' ability to attract broader interest in their procurements and

competitions from small and large businesses, including new entrants and entities that are long-standing participants. In order to get the best results, the acquisition workforce must have access to the contract solutions, business intelligence, and resources they need to be informed, tech-savvy buyers.

To support this challenge, agency practitioners with proven track records in streamlining procurement processes will work in collaboration with the governmentwide category managers and acquisition innovation advocates to identify practical and manageable pathways to acquisition solutions. Initial efforts will focus on best practices for applying innovation and streamlining throughout the acquisition lifecycle and on specific categories of the most popular common spend categories, including information technology (IT), professional services, and facilities and construction. The buying guides will be living documents that are updated as best practices evolve and will accommodate varying levels of procurement experience.

4. **Testing.** Agencies are encouraged to conduct tests where deviations or strategies in buying guides present ways of doing business that are new to the agency and share the results to SAGTesting@gsa.gov. Agencies that seek the support of an innovation coach should forward their request to this same address.
5. **Training.** The Federal Acquisition Institute and Defense Acquisition University will work together with the FAR Council to develop modernized training based upon the FAR Council's deviation guidance and the buying guides as they become available. The buying guide training for specific categories of spend will be designed to build technical expertise at the point of need and allow the workforce to learn more effectively, practice their new skills, and better accomplish agency missions.
6. **Table of actions.**

The table below summarizes the actions agencies should take in support of the RFO, as directed by this guidance document.

Agency action	OMB Guidance Section
By May 1, 2025, identify the most senior procurement official to serve as the “agency point of contact” to streamline agency FAR supplements and related guidance and align to FAR Council’s deviation guidance.	2(b)
Generally issue individual or class deviations to implement the FAR Council’s deregulated coverage within 30 days after the Council releases its model deviation text. Provide copies of class deviations to the FAR Secretariat at gsaregsec@gsa.gov for public posting on Acquisition.gov.	2(a)
Submit quarterly status reports to OFPP on steps planned or taken with respect to agency regulations and policies.	2(b)
Consider conducting tests where deviations or strategies in buying guides present ways of doing business that are new to the agency and share the results to SAGTesting@gsa.gov .	4