Transition – A Presidential Change Update

July 2025

FAR 2.0: Key Takeaways from FAR Parts 6 and 11 Overhaul

Key Notes:

- FAR Part 6 revisions mean more discretion, fewer mandates and potential implications for small business and other set-asides.
- FAR Part 11 overhauled to align with statutory goals, focusing on function, performance and commercial viability.

In our previous client alert on Executive Order 14275 (EO), *Restoring Common Sense to Federal Procurement*, we examined the overhaul of FAR Part 10. The FAR Council has since continued its reform efforts under the Revolutionary FAR Overhaul (RFO) by issuing revisions to several additional FAR parts. In this alert, we discuss the changes to FAR Parts 6 (Competition Requirements) and 11 (Describing Agency Needs).

FAR Part 6 — Competition Requirements

The FAR Part 6 overhaul appears significant, with entire subparts and sections removed or rewritten. The part has been reduced from five subparts to three, streamlining content, prioritizing clarity and removing redundancy rather than making deeply substantive changes.

The revised subpart structure is:

- **Subpart 6.1 – Presolicitation:** Combines full and open competition policies, exceptions and justification requirements
- **Subpart 6.2 – Reserved:** Formerly covered full and open competition after exclusion of sources
- **Subpart 6.3 – Postaward:** Now focuses solely on public justification posting requirements

Subpart 6.4 (Sealed Bidding and Competitive Proposals) and Subpart 6.5 (Advocates for Competition) were relocated to FAR 6.101(b) and FAR 6.003, respectively.

Set-Aside Provisions

The overhaul of FAR Part 6 consolidates six prior sections (FAR 6.203–6.208) addressing small business and other socioeconomic program set-asides into two streamlined subsections:

- **FAR 6.102-2:** Authorizes contracting officers to set aside acquisitions for all small business programs, including Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR) programs and Women-Owned Small Business (WOSB)—referring to FAR Part 19 for implementation details.
- **FAR 6.102-3:** Permit set-asides for small businesses in response to major disasters or emergencies, at the contracting officer's discretion.

The revised language frames set-aside decisions as discretionary, removing prior mandates and raising concerns about continued application of the long-standing *Rule of Two*—which requires agencies to set aside an acquisition when there is a reasonable expectation of receiving offers from two or more responsible small businesses. While the Rule of Two remains a statutory requirement for procurements below the simplified acquisition threshold, these revisions suggest it may be phased out as part of the FAR overhaul. Supporting this view, the Practitioner Album states that contracting officers now have "discretion to set aside solicitations" and that "prescriptions around socioeconomic concerns have been removed from FAR part 6." The true impact of these changes will be clearer once the revisions to Part 19 (Small Business Programs) are released, but the trajectory appears to favor greater discretion and fewer set-aside mandates moving forward.

Simplified "Other Than Full and Open Competition" Provisions

The familiar list of seven statutory exceptions to competition, previously FAR 6.302-1 through 6.302-7, now appears in FAR 6.103-1 through 6.103-7. The revised provisions:

- Use plain language and eliminate prescriptive examples
- Preserve all seven statutory authorities for exceptions to competition, such as Unusual and Compelling Urgency (FAR 6.103-2) and Brand-name Justifications (FAR 6.103-5)

Refined Justification and Approval (J&A) Provisions

- **FAR 6.104-1** streamlines content requirements for J&As
- **FAR 6.104-2** introduces clearer approval thresholds:
    - ≤ $750,000 – Contracting Officer
    - >$750K–$15M – Advocate for Competition
    - >$15M–$75M (or $100M for DoD, NASA, Coast Guard) – Head of Procuring Activity
    - >$75M (or $100M for DoD, NASA, Coast Guard) – Senior Procurement Executive

FAR Part 11 — Describing Agency Needs

The revised FAR Part 11 aligns with the Trump administration's emphasis on commercial item acquisition, flexibility and reduced regulatory burden. According to the Practitioner Album, many provisions were consolidated or eliminated to "ensure requirements are clear, aligned with commercial practices, and avoid overly prescriptive specifications that limit competition." Other notable highlights from the revised part include a stronger emphasis on performance-based requirements and the elimination of outdated or redundant clauses to better support commercial item acquisitions.

Subpart 11.2 (Using and Maintaining Requirements Documents), Subpart 11.4 (Delivery or Performance Schedules) and Subpart 11.7 (Variation in Quantity) were eliminated entirely, including all implementing clauses. This reflects a deliberate shift away from boilerplate requirements, allowing contractors to concentrate on each solicitation's specific performance objectives rather than interpreting layers of prescriptive regulatory text.

Performance-Based and Commercially Aligned Requirements

Consistent with statutory requirements, the policy under FAR Part 11 mandates agencies to articulate requirements for acquiring supplies or services in terms of:

- The functions to be performed
- The performance required
- The essential physical characteristics of the item or service

This approach moves agencies away from rigid technical specifications and toward more flexible, performance-based contracting. It encourages proposals offering commercial and non-developmental solutions that satisfy the agency's core needs rather than narrowly defined technical specifications. Contractors should prepare to place greater emphasis on demonstrating performance outcomes and functional capabilities in their proposals.

Sustainability

Sustainable procurement remains a priority. FAR 11.102(d)(1) mandates that agencies "shall procure sustainable products and services" and integrate sustainability into acquisition requirements where feasible. This continued focus gives contractors a strategic advantage when offering eco-friendly solutions.

The updates to FAR Parts 6 and 11 are consistent with the broader goals of the FAR Overhaul—promoting clarity, flexibility and market-aligned procurement. Contractors should monitor ongoing changes, especially forthcoming revisions to FAR Part 19, to assess evolving set-aside policies and small business engagement strategies.

We have previously written about other aspects of the FAR Overhaul, and those client alerts are linked below for reference.

- *FAR 2.0: Early Expectations for the FAR Rewrite* (April 22, 2025)
- *FAR 2.0: The FAR Revolution is Here* (May 15, 2025)
- *FAR 2.0: More Than Just Revisions in FAR Part 10 Release*, (June 11, 2025)

Our Government Contracts group will continue to provide updates and analysis as additional FAR revisions are released.

FOR MORE INFORMATION

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