

# **FAR vs DFARS vs State & Local Rules**

## **(High-Level Comparison)**

*Understanding Which Procurement Rules Apply and Why It Matters*

Public-sector contracting is governed by different regulatory frameworks depending on the buyer and funding source. Understanding which rule set applies helps businesses avoid eligibility errors, pricing mistakes, and compliance risk.

This resource provides a plain-language comparison of the major procurement frameworks used in civilian federal contracting, defense contracting, and state and local government contracting.

It is intended for awareness and readiness purposes only, not legal interpretation.

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### **Overview of the Three Frameworks**

#### **Federal Acquisition Regulation (FAR)**

The FAR governs how most civilian federal agencies buy goods and services.

It establishes competition requirements, solicitation and award procedures, contract clauses, and post-award administration rules.

The FAR applies to most non-defense federal contracts and serves as the baseline for federal procurement.

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#### **Defense Federal Acquisition Regulation Supplement (DFARS)**

DFARS supplements the FAR for Department of Defense contracts.

In addition to FAR requirements, DFARS introduces:

- cybersecurity obligations,
- supply-chain and country-of-origin rules,
- audit and reporting requirements,
- enhanced subcontractor flow-downs.

DFARS applies when the buyer is the Department of Defense or a defense agency.

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## State & Local Procurement Rules

State and local governments operate under their own procurement statutes, administrative rules, and purchasing policies.

These rules:

- vary by state, county, city, school district, or authority,
- are often more decentralized,
- may include local preference or participation goals.

There is no single rulebook for state and local procurement.

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## High-Level Comparison

Topic	FAR (Civilian Federal)	DFARS (Defense)	State & Local
Who Uses It	Civilian federal agencies	DoD & defense agencies	States, counties, cities, authorities
Governing Authority	Federal government	Federal + DoD supplements	State and local governments
Complexity	Moderate	High	Varies widely
Cybersecurity Focus	Limited	Extensive	Varies
Supply-Chain Rules	Limited	Strict	Varies
Flow-Down Requirements	Common	Extensive	Limited to contract terms
Standardization	High	High	Low
Bid Timelines	Longer	Longer	Often shorter

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## Why This Comparison Matters

Understanding which framework applies helps businesses:

- assess compliance burden before bidding,
- price contracts accurately,
- determine readiness level,
- avoid disqualification or performance risk.

For example:

- A defense contract may require cybersecurity controls that do not apply to civilian agencies.
- A state or city contract may move faster but require local registration or bonding.
- Federal contracts may impose reporting and documentation obligations not seen locally.

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## Common Misconceptions

“All government contracts follow the same rules.”

→ Each level of government uses a different framework.

“State and local contracts are easier because they’re smaller.”

→ They may be simpler, but requirements still vary by jurisdiction.

“DFARS only matters for large defense contractors.”

→ DFARS requirements can apply to small businesses and subcontractors.

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## How This Fits Into Readiness

Businesses should identify:

- who the buyer is,
- which framework applies, and
- whether their systems and capacity align

before pursuing an opportunity.

This comparison is most effective when paired with:

- readiness assessments,
  - go/no-go decisions,
  - compliance planning,
  - post-award tracking tools.
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## Official Reference Sources

- FAR (Acquisition.gov):  
<https://www.acquisition.gov/far>
  - DFARS (Acquisition.gov):  
<https://www.acquisition.gov/dfars>
  - State & Local Procurement (varies by jurisdiction):  
State and municipal procurement websites and statutes
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## Important Note

This resource is provided for educational and readiness purposes only. It does not provide legal advice, regulatory interpretation, or solicitation-specific guidance. Individual solicitations and contracts control.

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Supporting contract readiness, compliance awareness, and informed decision-making.