

Congress of the United States
Washington, DC 20515

December 5, 2025

The Honorable Doug Collins
Secretary
Department of Veterans Affairs
810 Vermont Avenue Northwest
Washington, DC 20420

The Honorable Kelly Loeffler
Administrator
Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Secretary Collins and Administrator Loeffler:

We write to follow up on our previous requests for information on the number of contracts awarded to small, veteran-owned firms that have been cancelled by Department of Veterans Affairs (VA).

VA's February 26, 2025, announcement that it terminated over \$2 billion in contracts immediately raised serious concerns given the large number of VA contracts that are awarded to Service-Disabled Veteran-Owned Small Businesses (SDVOSB) or Veteran-Owned Small Businesses (VOSB) and the services provided to veterans through these contracts. After hearing from constituent companies and interest groups about the terminations, especially the haphazard manner in which VA reviewed and then communicated them to the small businesses impacted, we made the following inquiries:

- On March 7, 2025, members of the House Small Business and Veterans Affairs Committees sent the enclosed letter to VA requesting answers to 12 questions about the number and value of contracts terminated; the process and definitions used to determine which contracts were cut; the types of veterans' services being reduced; and the communication and coordination with the companies and their SBA representatives about the terminations.
- In a June 4, 2025, hearing before the House Small Business Committee, followed by five questions for the record (QFR), the Committee requested the number of contracts awarded to SDVOSBs that have been terminated by VA, as well as the number of impacted firms and the assistance the SBA is providing to those firms.

To date, we have not received responses to either request. The absence of engagement on this matter is troubling and raises continued questions regarding the integrity of VA's procurement processes.

Since our initial outreach, we have continued to receive reports from affected businesses and stakeholders indicating that contract cancellations were executed with minimal notice, limited justification, and inconsistent communication.

We remain particularly troubled by:

- A significant lack of transparency surrounds the total number of canceled contracts. DOGE claims it is 1200¹ but their reporting has proven inconsistent and unreliable. Many sources believe the true number may be even higher and independent estimates show that potentially 90 percent of cancelled contracts affected SDVOSBs or VOSBs.
- Reports that VA employees were required to justify contract terminations within one hour of notification, using only a single sentence, without regard to the services provided or value and complexity of the procurement.
- The continued ambiguity around “savings,” including any accounting of actual costs or savings to VA, or the reallocation of funds.

Accordingly, we are hopeful that you will, if you have not already, conduct an internal review of the circumstances around the cancellations and the criteria used, as well as the impact on VA programs and services and on veteran-owned small businesses.

An accurate assessment of the cancellations and their impact is critical to understanding the scope and rationale of VA’s contracting decisions and the services provided to our nation’s veterans. We therefore renew our request for detailed responses to the twelve questions outlined in our March 7th letter, and the QFRs from the June House Small Business Committee hearing. We ask you to provide responses to all questions **no later than January 9, 2026**.

We remain optimistic that you will engage constructively and transparently on this matter. Our veteran entrepreneurs deserve clarity, respect, and fairness, especially on the decisions that directly affect their companies, livelihoods, and participation in the industrial base.

Sincerely,


Morgan McGarvey
Member of Congress

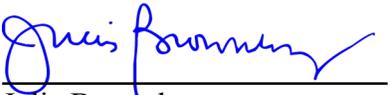

Nydia M. Velázquez
Ranking Member
Committee on Small Business

¹ [DOGE had a cutting spree. 550 vet-owned businesses felt it. - POLITICO](#)


Delia C. Ramirez
Member of Congress


Nikki Budzinski
Member of Congress

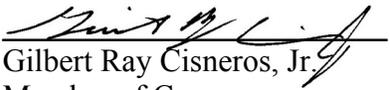

Seth Moulton
Member of Congress

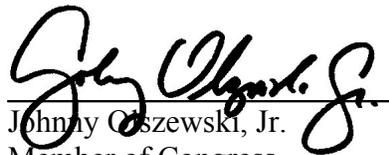

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