

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6515

July 2, 2025

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

Mr. Stephen Ehikian
Acting Administrator
General Services Administration
1800 F Street, NW
Washington, DC 20405

Dear Administrator Loeffler and Acting Administrator Ehikian:

I am writing to follow up on my April 9, 2025 correspondence and express my continued concerns regarding changes to the Federal Acquisition Regulations (FAR) and the lack of transparency for developing, publishing and concurrently implementing new procurement rules.

Since my initial letter, Executive Order 14275,¹ Office of Budget and Management Memorandum M-25-26² and the publication and simultaneous implementation of model deviations have only heightened the concerns I raised about small business participation in the FAR Rewrite process, as well as small business participation in the federal market.

The FAR Parts released to date eliminate the procedures that level the playing field for small business government contractors and will directly result in foreseeable, preventable and negative consequences for the small business industrial base. Yet, the full impact of the changes already implemented by 21 agencies (as of this writing) cannot be fully and comprehensively assessed.

Public comment periods provide Americans and industries affected by rulemaking with an opportunity to have their voices heard, and to help ensure government officials are making informed decisions. The federal government immediately implementing new rules no one has seen is not transparent, open, or fair, and limits the feedback that the General Services Administration (GSA) regularly claims it wants to receive.³ The Administration's decision not to respond to input from the public and to consider it "as appropriate" does not instill confidence that any final product will reflect the impact on industry, including the disproportionate impact on small businesses.

The siloed process of using class deviations is further limiting the feedback, and the quality of the feedback, that you are receiving. For example, the new FAR Part 10 eliminates the requirement that agencies conduct market research to determine: (a) whether a contracting officer will bundle

¹ Exec. Order No. 14275, 90 Fed. Reg. 16447 (Apr. 15, 2025).

² OFF. OF BUDGET & MGMT., *M-25-26: Overhauling the Federal Acquisition*, THE WHITE HOUSE (May 2, 2025), https://www.acquisition.gov/sites/default/files/page_file_uploads/M-25-26-Overhauling-the-Federal-Acquisition-Regulation-002.pdf.

³ U.S. GEN. SERVS. ADMIN., *GSA Industry Meeting*, Zoom Webinar (May 28, 2025).

or consolidate a contract currently held by a small business, as well as the role that the Small Business Administration played in that process and (b) if a contract will be solicited as a small business only competition.⁴

Market research is critical for utilization of any Part 19 authorities, and as GSA’s class deviation states: bundling “[c]ontent stemming from 15 U.S.C. 644(e) and 15 U.S.C. 657(q) is mandatory, however the requirement is covered in FAR part 7.”⁵ Therefore, while the market research changes are troubling in and of themselves, they cannot be productively assessed without the context provided by the new version of authorities housed in Part 7 and Part 19.

Yet, the comments on Part 10 must be submitted by July 7, 2025 and the new Parts 7 and 19 have not been released. If the time for stakeholders to submit feedback on certain FAR Parts closes prior to the publication of other related and specifically referenced FAR Parts, feedback will not accurately and wholistically capture the consequences for industry.

I urge you to reconsider the changes to market research given the immediately recognizable, negative implications for small business government contractors. But it is imperative that you take steps to remedy the restrictive, fractured and non-transparent process now limiting the input you receive on the consequences of these changes for small businesses and the small business industrial base.

Such large-scale changes to the complex procurement policies, especially when they affect small businesses, should not occur in a vacuum and be implemented without public comment. Small government contractors should be afforded an opportunity to properly and wholistically review how the changes will impact their companies, contracting opportunities, and decision to continue competing for government contracts.

I appreciate your time and attention to this matter, and look forward to your response. If you have any questions, please contact the Committee’s Democratic staff at (202) 225-4038.

Thank you,



Nydia M. Velázquez
Ranking Member
Committee on Small Business

⁴ OFF. OF ACQUISITION POLICY, *Class deviation RFO-2025-10: FAR Class Deviation for FAR Part 10 in Support of Executive Order 14275, Restoring Common Sense to Federal Procurement*, U.S. GEN. SERVS. ADMIN. (May 22, 2025), <https://www.gsa.gov/policy-regulations/policy/acquisition-policy/acquisition-policy-library-and-resources/rfo202510>.

⁵ *Id.*