

Rep. Hillary Scholten (MI-03)
Remarks for Full Committee Markup 9/16/26
H.R. 4615

Thank you, Mr. Chair. I am pleased to speak in support of H.R. 4615, the *Small Business Payment for Performance Act*, led by my colleague Mr. Stauber. As a co-chair of the Congressional Construction Procurement Caucus, I've had the chance to speak with numerous small businesses in the construction industry to hear about their challenges in contracting with the federal government. It is clear that Congress needs to act to address the issue of change orders, and this bill would do just that.

Change orders are a regular occurrence in federal contracting – with federal contracting officers frequently changing the terms of a contract in ways that impact costs to the contractor. Too often, small businesses on the receiving end of these changes are left to shoulder the cost and rework their operations on a dime. Unfortunately, the payments owed to contractors for these change orders can take months – and sometimes over a year – to process.

The *Small Business Payment for Performance Act* would remedy this issue by requiring a federal agency to pay at least 50 percent of the estimated cost of a change order earlier in the process. This will help small businesses perform their work more sustainably and efficiently. By creating a level of certainty and proper compensation for small contractors, we can better support their agility in navigating the demands of government-contracted work.

I want to thank my colleague, Mr. Stauber, for his leadership on this bill, and I urge my colleagues to support this legislation.