

Subject: Please Support H.R. 2804 and Protect the Rule of Two for Small Businesses

To:

The Honorable Nick LaLota

Chairman, Subcommittee on Contracting and Infrastructure

U.S. House of Representatives

Washington, D.C. 20515

The Honorable Gil Cisneros

Ranking Member, Subcommittee on Contracting and Infrastructure

U.S. House of Representatives

Washington, D.C. 20515

Dear Chairman LaLota and Ranking Member Cisneros,

I write to you as a strong advocate for small businesses and their critical role in driving innovation, job creation, and economic resilience in our country. I respectfully urge your leadership and bipartisan support for H.R. 2804 — The Protecting Small Business Competitions Act of 2025 which seeks to codify the "Rule of Two" into statute and ensure the continued inclusion of small businesses in federal procurement.

The Rule of Two is a time-tested policy that requires contracting officers to set aside contracts for small businesses when market research indicates that at least two qualified small businesses can perform the work at a fair market price. This provision has been instrumental in providing fair competition opportunities for small firms, including those owned by veterans, minorities, women and other underserved groups.

However, due to current federal deregulation efforts aimed at removing provisions not explicitly codified in statute, the Rule of Two is now at risk of being eliminated from the Federal Acquisition Regulation (FAR). This potential change is not a reflection of the Rule's value, but rather a









technical consequence of the administration's regulatory review process. Without statutory protection, small businesses stand to lose a vital pathway to participate in government contracting.

H.R. 2804 would preserve this essential safeguard by codifying the Rule of Two for all federal agencies. Doing so would provide consistency and fairness in procurement practices, encourage innovation by engaging a broader range of suppliers, and promote economic stability in local communities across the country. It would also strengthen the ability of small businesses to plan, grow, and contribute meaningfully to our nation's economy.

As members of the Subcommittee on Contracting and Infrastructure, your leadership is essential in ensuring equitable access to federal contracting opportunities. I respectfully ask for your support of H.R. 2804 and urge you to champion the voices and contributions of America's small businesses.

Thank you for your continued service and commitment to small business advancement.

President



