

June 25, 2025

The Honorable Members of the U.S. House of Representatives
Washington, DC 20515

RE: Urgent Need for Passage of H.R. 2804 – Protecting Small Business Competitions Act of 2025

Dear Members of Congress:

On behalf of the American Small Business Chamber of Commerce (ASBCC) and the vast network of American enterprises we represent, we urge you to pass H.R. 2804, the Protecting Small Business Competitions Act of 2025. This is not merely a procedural update; it is a critical measure to safeguard the integrity of the federal marketplace, bolster our nation's defense industrial base, and ensure prudent use of taxpayer dollars.

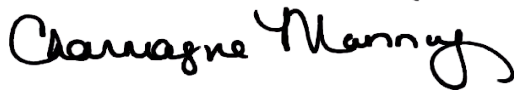
Codifying the "Rule of Two" is a fundamental necessity. For too long, the Small Business Act's clear intent has been diluted by inconsistent agency interpretation and acquisition strategies favoring contract consolidation over robust competition. This creates an unpredictable and inequitable environment, undermining the very firms that serve as engines of innovation for our government. Enshrining this rule in statute, H.R. 2804 brings much-needed certainty and accountability to federal procurement.

The strategic importance of a diverse supplier base cannot be overstated. Small businesses are essential to the resilience of our defense industrial base and are key drivers of the novel solutions required to maintain our competitive edge. Furthermore, ensuring strong competition from a wide pool of small firms is the most effective bulwark against the price creep and vendor lock-in that occurs when markets are dominated by a few large prime contractors.

The economic impact is not confined to the Beltway; it is a powerful force in every one of your districts. These federal contracts translate directly into local job creation and regional economic stability. The stakes are substantial: **over 300 congressional districts have more than \$100 million in small business federal contract revenues at risk annually.** Failure to secure the Rule of Two places this vital economic activity—and the jobs it supports—in jeopardy.

We urge you to advance H.R. 2804 without delay. Passing this legislation is a direct investment in American innovation, a commitment to fiscal responsibility, and a powerful affirmation of your support for the small business backbone of our economy.

Thank you for your leadership on this critical issue.



Charmagne Manning
President

American Small Business Chamber of Commerce
700 12th Street NW, Suite 700 | Washington, DC 20005
<https://www.ASBCC.org> | (202) 618-3037