

14 July 2025

The Honorable Nick LaLota
Chairman, Subcommittee on Contracting and
Infrastructure
S. House of Representatives
Washington, D.C. 20515

The Honorable Gil Cisneros
Ranking Member, Subcommittee on Contracting
and Infrastructure
S. House of Representatives
Washington, D.C. 20515

Dear Representative LaLota and Representative Cisneros:

I am writing to express my strong support for H.R. 2804, the “Protecting Small Business Competitions Act of 2025.” Founded in 1973, EA Engineering, Science, and Technology, Inc., PBC is a small business federal contractor specializing in environmental consulting and remediation of hazardous contaminants.

Small businesses—the backbone of our economy, driving innovation, creating jobs, and strengthening local communities—depend on fair access to federal contracting, which sustains their growth while providing the government with high-quality services and products at competitive prices.

For decades, the “Rule of Two” has been a foundational principle in federal contracting. This rule requires that federal agencies set aside contracts for small businesses if the contracting officer has a reasonable expectation that at least two responsible small businesses can perform the work at fair market prices. This longstanding safeguard has been critical in ensuring that small businesses have meaningful access to federal contracting opportunities.

Because the “Rule of Two” is not statutorily required, it is widely expected that it will be stricken in the re-write of the Federal Acquisition Regulation currently underway. This would have disastrous consequences for the American small businesses supporting our federal government and defense needs. H. R. 2804 would codify the “Rule of Two” in the law, addressing this risk. It, and companion legislation in the Senate, would therefore preserve small business competitions and allow small business government contractors to successfully enter, compete, and remain in the industrial base.

In a marketplace that consistently uses large purchasing vehicles, protecting and empowering small business competition is essential. This legislation is necessary and timely to ensure the government’s acquisition rules continue to allow small businesses to compete for and win a fair proportion of government contracts. This bill:

- Strengthens the integrity and fairness of the federal contracting process for all businesses.
- Maintains fair competition for small businesses by eliminating ambiguity in procurement practices, thereby enhancing their ability to succeed and stay active in the federal marketplace.
- Enhances competition and allows the government to recruit and retain the small business enterprises that bring new solutions, innovation, and talent to government missions.
- Promotes economic growth by providing small businesses with predictability and stable revenue streams, helping them grow, hire, and contribute to the local economy.

Over the last decade, the number of small businesses winning federal contracts has decreased by 50 percent, and nearly 60 percent fewer small businesses are entering the federal marketplace. The “Rule of

Two” is critical to preserving the small business industrial base and efforts to reverse this decline, as well as America’s long-term economic resilience and competitiveness.

I respectfully urge you, and all Members of Congress, to support H.R. 2804’s swift passage through both chambers and to stand with America’s small businesses by ensuring they have a fair opportunity to compete, contribute, and thrive.

Thank you for your consideration and continued efforts on behalf of the entire small business federal contracting community.

Sincerely,



Ian MacFarlane
President, CEO, and Chair