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July 14, 2025

ATTENTION:

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

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

**SUBJECT: Statement for the Record – Hearing: “Leveling the Playing Field: The State of Small Business Contracting” (For rescheduled session originally slated to occur on July 8, 2025)**

Gentlemen and Gentlewomen on the Subcommittee,

Our firm, SJS Executives, LLC, of Virginia Beach, VA, is an SBA-certified Service Disabled Veteran Owned Small Business (SDVOSB) with about 150 employees in 20 states that has provided professional services to military and federal agencies for 17 consecutive years. Our remarks are borne out of this experience.

Over the last two decades in federal contracting, our firm and its officers have witnessed the damaging effects of forces like accelerated contract bundling and consolidation that continuously benefit large entities to the detriment of small businesses like ours. In short, a few of the trends we have experienced that actively hurt our business while helping large companies include factors like:

- Extremely high gross revenue entry thresholds for participation in contract vehicles like OASIS+ (including its small business tracks)
- Extraordinarily complex, extensive, and labor intensive proposal requirements that are out of scope for small businesses like ours that cannot afford a large proposal development department
- Federal contracting officers as well as program managers failing to understand how the SDVOSB set aside and sole source options work, and therefore failing to apply them, even when optimal legal conditions exist to do so.

As a 100% veteran owned small business, these negative trends have been disheartening, curtailed our growth, and discouraged other veterans in our community in Hampton Roads, VA, from launching new federal contracting companies.

We cannot help but feel some disrespect, also, like when we attended a NASA Langley small business conference approximately a decade ago, only to have the NASA administrators on stage essentially admit to the audience that their agency did not think veteran-operated businesses provided quality professional services,

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so they felt we should stick to “blue collar” services like janitorial, groundskeeping, and physical security work instead. (NASA historically has a dismal SDVOSB utilization rate and is on an annual basis is usually the federal agency that procures SDVOSB business services and products the least.) With misperceptions like this fueling agency decisions against us, it is no wonder that small “GOVCON” companies are hurting.

For these reasons and many more, we encourage your subcommittee to continue acting as fierce advocates for America’s small companies operating within the federal contracting space. We are your future Teslas, Apples, and Huntington Ingalls Industries—but only if government contracting policies protect our interests by giving us tools to grow, including, most importantly, small business set asides and sole source awards.

Without such tools, we cannot compete with large companies and will eventually fold or be bought out by those companies, potentially stifling technological innovation as well as Americans’ and veterans’ ability to make a living and accrue adequate retirement savings. Small businesses account for 50% of America’s jobs, after all. Small business, therefore, is the best vehicle to achieve the American dream, and your subcommittee has the power to accelerate this precious economic activity with its activities.

We therefore ask you to please help spare or improve upon the tool known as the small business “Rule of Two,” which some forces have attempted to abolish.

Although SDVOSB firms like ours are protected by statute because the Rule of Two is currently codified in the U.S. Department of Veterans Affairs’ (VA) Rule of Two, set forth at 38 U.S.C. § 8127 and applying exclusively to the VA and to Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses, there are many other categories of small companies that need similar protection to survive in the government contracting space.

Those other small companies are our peers, and as such, our firm feels a responsibility to speak up on their behalf, as we are convinced tools like the “Rule of Two” will continue to foster robust economic activity to the benefit of all, including the American taxpayer. Small businesses, after all, usually have smaller overheads than large entities and therefore can offer goods and services to the government at advantageous prices.

We thank you very much for taking the time to read our remarks and for considering potential solutions to the problems we have cited here.

Best Regards,



Anna Liisa Van Mantgem  
Chief Communications Officer  
On behalf of SJS Executives, LLC