National Veteran Small Business Coalition



"One Cause, One Voice"

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703-282-4140 <u>www.nvsbc.org</u> July 23, 2019

The Honorable Marco Rubio, Chairman
The Honorable Benjamin Cardin, Ranking Member
United States Senate
Committee on Small Business & Entrepreneurship
428A Russell Senate Office Building
Washington, D.C. 20515

Dear Chair Rubio and Ranking Member Cardin,

On behalf of the National Veteran Small Business Coalition (NVSBC) I am writing to support an amendment filed by Ranking Member Cardin to eliminate an arduous requirement that impedes the use of sole source contracts to small businesses participating in the Small Business Administration's (SBA) socio-economic contracting programs. The amendment adds the following to the Chairman's Mark, which strikes the language "unless the contracting officer is unable to obtain offers from two or more small business concerns that are competitive with market prices and are competitive with regard to the quality and delivery of the goods or services being purchased" from the Small Business Act.

The Women-Owned Small Business (WOSB), Historically Underutilized Business Zones (HUBZone) and Service-Disabled Veteran-Owned Small Business (SDVOSB) programs all require that a contracting officer justify through market research that not two or more offers at a reasonable price are expected. The acquisition community has largely interpreted this requirement to mean that a sole source contract can only be awarded if the company receiving the award is the only company that can perform this work, leading to exceedingly few sole source awards. This change could not be more timely – according to Bloomberg Government, the number of federal contractors working on unclassified prime contracts is at its

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lowest level despite a steady rise in government contract spending.

This amendment is a much needed step toward assisting small businesses in these programs to succeed in the federal marketplace. We urge the Committee to support it. If you have any questions, please contact Scott Denniston at (703) 282-4140 or scott.denniston@nvsbc.org.

Sincerely,

Scott Denniston

Executive Director

National Veteran Small Business Coalition (NVSBC)