

**Rep. Hillary Scholten**  
**Testimony before the House Armed Services Committee**  
**Member Day Hearing on the National Defense Authorization Act**  
**April 15, 2026**

Chairman Rogers, Ranking Member Smith, and Members of the Committee,

Thank you for the opportunity to provide testimony for the record. I respectfully request consideration of Mr. Sorenson's provision requiring the Department of Defense to study and provide Congress with information on the application of small business policies for contracts under the Simplified Acquisition Threshold (SAT). I also urge inclusion of this provision in the NDAA base text. While federal law mandates that contracts at or below the SAT, currently \$250,000, should be set aside for small business competition, reports from the Department of Defense have shown that more than a *quarter* of these contract dollars have been awarded to non-small businesses.

This finding is concerning, particularly as small defense contractors play such a critical role in providing a robust source of products and services to enhance our national security. While some low-dollar contracts may not be suitable for small businesses – such as software licenses – we need more information to ensure small contractors have the opportunity to compete wherever possible.

Many small businesses enter the market with contracts of this size. Winning these contracts allows entrepreneurs to build a track record of success and eventually enables them to grow and compete for larger government contracts. Small businesses face numerous challenges when competing in the federal marketplace, and this amendment would ensure that every dollar intended to bring small firms into the defense contracting space is used for that purpose. While some low-dollar contracts may not be suitable for small businesses and federal law already provides for those exceptions, we need more information on the details of this spending in order to conduct proper oversight of DoD's implementation of small business policies.

Our national security depends on a strong and diverse defense industry. Small defense contractors are key to this objective, and require the support of Congress to ensure they are able to flourish in this space. This amendment will level the playing field for entrepreneurs while facilitating better prices through enhanced competition.

I urge the Committee to accept Mr. Sorenson's provision in its consideration of the NDAA to ensure small defense contractors have every opportunity to grow and succeed in the federal marketplace.

Thank you.