

Union Calendar No. 624

119TH CONGRESS
2^D SESSION

H. R. 2804

[Report No. 119-719]

To amend the Small Business Act to codify the Rule of Two, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 2025

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Small Business

JULY 2, 2026

Additional sponsors: Mr. CISNEROS, Ms. DAVIDS of Kansas, Mr. CASE, and Mr. WILLIAMS of Texas

JULY 2, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on April 9, 2025]

A BILL

To amend the Small Business Act to codify the Rule of
Two, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Protecting Small Busi-*
5 *ness Competitions Act of 2026”.*

6 **SEC. 2. CODIFICATION OF THE RULE OF TWO.**

7 *Section 15(j) of the Small Business Act (15 U.S.C.*
8 *644(j)) is amended by adding at the end the following new*
9 *paragraph:*

10 *“(4) RULE OF TWO.—*

11 *“(A) IN GENERAL.—Each covered contract*
12 *for goods or services that has an anticipated*
13 *value greater than the simplified acquisition*
14 *threshold shall be reserved for small business con-*
15 *cerns when the contracting officer reasonably ex-*
16 *pects—*

17 *“(i) to obtain offers from two or more*
18 *responsible small business concerns; and*

19 *“(ii) to award such contract at a fair*
20 *market price.*

21 *“(B) COVERED CONTRACT DEFINED.—In*
22 *this paragraph, the term ‘covered contract’ does*
23 *not include a delivery order or a task order.”.*

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