



U.S. BLACK CHAMBERS, INC.

The National Voice of Black Business

September 3, 2024

The Honorable Gary Peters, Chair
274 Hart Senate Office Building
Washington, D.C. 20510

The Honorable James Comer, Chair
2410 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Rand Paul, Ranking Member
295 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Jamie Raskin, Ranking Member
2242 Rayburn House Office Building
Washington, D.C. 20515

Chair Peters, Ranking Member Paul, Chair Comer, and Ranking Member Raskin:

On behalf of the thousands of small and diverse businesses we represent, we write to express support for an increase in the micro-purchase threshold (MPT) from \$10,000 to \$50,000. We believe this change should be included in efforts to modernize government procurement and will increase economic opportunity for our collective members in partnership with the federal government.

Across the country, we consistently hear from small businesses that:

- 1) They want to pursue and sustain business with the federal government; and
- 2) Burdensome requirements and compliance hurdles often discourage and limit their ability to participate in the federal marketplace.

This is why efforts to simplify procurement opportunities are well supported among our community, and increasing the MPT presents a timely and impactful step that Congress should take.

As you know, the number of small businesses receiving federal government contracts has declined significantly in the last decade. We believe this proposal could help bring more small businesses back into the federal marketplace and incentivize new entrants. We also know that small businesses stand to benefit greatly from offering their goods and services to the federal government. In FY2023, more than one out of every three dollars spent through the Government Purchase Card (the government's preferred and largest payment method for purchases below the MPT), went to small and disadvantaged businesses – nearly \$4.5 billion worth of investment.¹ We believe increasing the MPT would increase sales opportunities for small businesses – even further.

We are encouraged by a recent analysis on the impact of increasing the MPT that identified benefits for small businesses through increased opportunities, as well as time and cost savings for the government. Notably, increasing the MPT would allow federal contracting officers to dedicate greater time and capacity to manage more complex contracts, where our members' businesses and offerings are also critical and deserve further attention.²

¹ General Services Administration, FY2023 SmartPay Socioeconomic Data.

² George Mason University White Paper by Emily Murphy, "[The Potential Effects of Raising the Micro-Purchase Threshold.](#)"

Our organizations have a long history of advocating for more opportunities for small businesses with the federal government, and we believe this policy change could result in a tangible impact to our members. In particular, we believe Congress has a significant opportunity to include an MPT increase as it considers the FIT Procurement Act (FITPA). Increasing the MPT in FITPA would complement an existing provision in the legislation to increase the simplified acquisition threshold (SAT), and the GMU study found that increasing both the MPT and SAT in tandem would result in new awards to small businesses.³

We are happy to discuss this important reform proposal further. Thank you for your consideration. Please reach out to Jamiyl Peters at 973-820-6735 or jrp@prismgroup.global with any questions.

Sincerely,

US Black Chambers, Inc.
United States Hispanic Chamber of Commerce
National Small Business Association
National Minority Supplier Development Council
National ACE
National LGBT Chamber of Commerce
DisabilityIN
Small Business & Entrepreneurship Council
National Association of Women Business Owners
Women Impacting Public Policy (WIPP)
The Economic and Community Development Institute
American Association of Blacks in Energy

³ Historically, Congress has increased the MPT and SAT in tandem; see GMU White Paper p. 11.