



September 16, 2025

Speaker of the House Mike Johnson,
521 Cannon House Office Building
Washington, DC 20515

Senate Majority Leader Chuck Schumer,
322 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Mike Rogers,
House Armed Services Committee
2216 Rayburn House Office Building
Washington DC 20515

The Honorable Adam Smith,
House Armed Services Committee
2216 Rayburn House Office Building
Washington DC 20515

The Honorable Roger F. Wicker,
Senate Armed Services Committee
228 Russell Senate Office Building
Washington, D.C., 20510

The Honorable Jack Reed,
Senate Armed Services Committee
228 Russell Senate Office Building
Washington, D.C., 20510

Dear Congressional Leadership and FY2026 National Defense Authorization Act (NDAA) Conferees,

We, the undersigned 51 organizations - representing small businesses, technology startups and companies, procurement associations, taxpayer advocates, consumer protection groups, and disaster relief organizations - write to express our strong support for three critical provisions currently in H.R. 3838, the House Armed Services Committee-passed version of the FY2026 NDAA.

Specifically, we urge you to retain these provisions in the final conference agreement:

1. Increasing the Micro-Purchase Threshold (MPT) from \$10,000 to \$25,000: The MPT allows agencies to make small value, commercial purchases efficiently. This increase would streamline how federal agencies procure goods, enabling the reallocation of valuable procurement resources toward complex, high-value acquisitions. Further, this increase can generate a minimum of \$30 million in annual efficiency savings while creating more accessible entry points for small businesses and startups to sell to federal agencies.^{[11](#)}
2. Enabling the Commercial Best Practice of Permitting Advance Payments: Advance payments allow organizations to pay upfront for services delivered over time, mirroring standard commercial practices. This change would enable federal agencies to more quickly access cutting-edge technologies through consumption-based pricing models, which is particularly crucial for subscription-based technology services such as cloud computing and satellite services. This would allow federal agencies to lock in favorable pricing and leverage services over time as needed, rather than being constrained by fiscal year-end deadlines. This flexibility will bolster technological competitiveness, allow for more strategic resource allocation, and foster efficiency across government.



3. Raising the Simplified Acquisition Threshold (SAT) from \$250,000 to \$500,000: The SAT allows agencies to use streamlined procedures for purchases below a certain dollar value. Importantly, it also reserves opportunities for small businesses. This increase would enable more agile procurement practices for mid-tier commercial acquisitions while reducing agency administrative overhead. This higher threshold would expand the pool of contracts set aside for small businesses, accelerate acquisition timelines, and allow agencies to respond more quickly to market innovations.

These above reforms would significantly enhance the federal government's ability to efficiently procure innovative technologies and services, increase opportunities for small businesses, and improve disaster response. They will reduce administrative burdens on federal agencies and contractors alike. The undersigned, diverse coalition supporting these provisions underscores the robust recognition that modernizing federal procurement is crucial for improving government operations, fostering innovation, and delivering better value for taxpayers.

We appreciate your consideration and urge you to include these important, strong bipartisan provisions in the final FY2026 NDAA. Please do not hesitate to contact us if you have any questions or need additional information.

Sincerely,

<i>Alliance for Digital Innovation</i>	<i>Kentucky Retail Federation</i>	<i>Small Business & Entrepreneurship Council</i>
<i>American Red Cross</i>	<i>Lafayette Economic Development Authority</i>	<i>Small Business Multi-Cloud Coalition</i>
<i>Associated Industries of Massachusetts</i>	<i>Los Angeles Area Chamber of Commerce</i>	<i>Software Information Industry Association</i>
<i>Baton Rouge Area Chamber</i>	<i>Louisiana Retailers Association</i>	<i>Taxpayers Protection Alliance</i>

<i>BizFed Central Valley Business Federation</i>	<i>Millionaire Business Network</i>	<i>The Business Council of Westchester</i>
<i>Capital Region Chamber of Commerce (NY)</i>	<i>Minnesota Retailers Association</i>	<i>The National Wildfire Suppression Association</i>
<i>Coalition of Small & Disabled Veteran Businesses</i>	<i>Montana Chamber of Commerce</i>	<i>U.S. Black Chambers, Inc.</i>
<i>Connected Nation</i>	<i>Montana Equipment Dealers Association</i>	<i>U.S. Hispanic Business Council</i>
<i>Economic and Community Development Institute</i>	<i>Montana Retailers Association</i>	<i>United Aerial Firefighters Association</i>
<i>Fit Well</i>	<i>National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship</i>	<i>United States Hispanic Chamber of Commerce</i>
<i>Florida Retailers Association</i>	<i>National Association of Counties</i>	<i>Valley Industry Commerce Association</i>
<i>Fresno Chamber of Commerce</i>	<i>National Association of Women Business Owners</i>	<i>Virginia Asian Chamber of Commerce</i>



<i>Fresno Economic Development Corporation</i>	<i>National Mobile Shower & Catering Association</i>	<i>Virginia Chamber of Commerce</i>
<i>Georgia Retailers Federation</i>	<i>National Small Business Association</i>	<i>Wildfire Industry Collective</i>
<i>Greater Los Angeles African American Chamber of Commerce</i>	<i>Orange County New York – Chamber of Commerce</i>	<i>Women Impacting Public Policy</i>
<i>Inland Empire Economic Partnerships</i>	<i>Sacramento Metropolitan Chamber of Commerce</i>	<i>Professional Services Council</i>
	<i>San Francisco Chamber of Commerce</i>	
	<i>San Jose Chamber of Commerce</i>	

^[1] Murphy, Emily W., Noah Rivers, Jerry McGinn, and Richard Beutel. "The Potential Effects of Raising the Micro-Purchase Threshold." Baroni Center for Government Contracting White Paper Series, no. 20, George Mason University, June 4, 2024.