

November 4, 2025

The Honorable Jerry Moran Chairman Senate Committee on Veterans' Affairs 412 Russell Senate Office Building Washington, DC 20510

Dear Chairman Moran,

On behalf of the National Veteran Small Business Coalition (NVSBC) and the more than 1.6 million Veteran Owned Small Businesses (VOSBs) across the nation, I write to express our strong support for the Acquisition Reform and Consolidation for Accountability (ARCA) Act of 2025 (S.1591) and to commend your leadership in advancing this critical legislation.

As the largest advocate for Veteran entrepreneurs engaged in federal contracting, NVSBC recognizes the central role the Department of Veterans Affairs (VA) plays in supporting Veteran-owned small businesses. The VA has historically represented the largest source of Veteran small business contracting opportunities in the federal government, awarding approximately 17 percent of its \$72 billion discretionary budget annually to Veteran-owned firms. These awards account for the majority of Service-Disabled Veteran-Owned Small Business (SDVOSB) contracts across all federal agencies and are essential to sustaining the Veteran small business industrial base.

The ARCA Act of 2025 takes a significant step toward improving the efficiency, accountability, and consistency of VA's acquisition and procurement operations. By establishing an Assistant Secretary of Veterans Affairs for Acquisition and Innovation, serving as the VA's Chief Acquisition Officer, this legislation will consolidate oversight of VA's numerous acquisition entities and create a unified structure responsible for managing logistics, innovation, and contracting.

NVSBC supports this legislation because it will:

## **Enhance Efficiency**

VA's procurement activities are currently dispersed across multiple entities, including the Technology Acquisition Center (TAC), Strategic Acquisition Center (SAC/NAC), 18 Veterans Integrated Service Networks (VISNs), 170 medical centers, and nearly 1,200 outpatient clinics, each with varying policies and procedures. Consolidating these under a single authority will standardize operating procedures, reduce lead times for solicitations, and streamline modifications and awards. These efficiencies will lower administrative costs for both VA and vendors, ensuring best value for the taxpayer.

## **Improve Communication with Industry**

This legislation will address persistent challenges caused by fragmented solicitation and communication practices across the VA's acquisition enterprise. Centralizing acquisition authority will empower the new Assistant Secretary to coordinate consistent engagement with industry, eliminate duplicative efforts, and strengthen partnerships with the Veteran business community. It will also facilitate more effective collaboration with the VA Office of Small and Disadvantaged Business Utilization (OSDBU), enhancing transparency and predictability for small businesses.

## **Benefit Veteran Small Businesses**

By providing a single view of VA acquisition, the ARCA Act will ensure that the "Rule of Two" and Veterans First Contracting Program policies are applied consistently across all VA procurements. This structure will strengthen the VA's commitment to Veteran-owned small businesses and enable more equitable access to contracting opportunities. Veteran entrepreneurs have consistently delivered best-value solutions to the VA and other federal agencies; this legislation ensures they can continue to do so efficiently and effectively.

We commend your commitment to improving VA acquisition operations and ensuring Veteran small businesses remain a cornerstone of the federal procurement ecosystem. NVSBC and our members stand ready to assist your office and the Department in implementing these needed reforms.

Thank you for your leadership and continued support of America's small businesses and the Veteran entrepreneur community. For additional information, my email is <a href="mailto:scott.Jensen@nvsbc.org">Scott.Jensen@nvsbc.org</a> or you may call 703-889-5742.

Sincerely,

Scott Jensen

Chief Executive Officer