

Congress of the United States  
U.S. House of Representatives  
Committee on Small Business  
2561 Rayburn House Office Building  
Washington, DC 20515-6515

January 25, 2024

The Honorable Denis McDonough  
Secretary  
Department of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, DC 20009

Dear Secretary McDonough:

The Committee on Small Business (Committee) is investigating the limited number of awards made in the Department of Veterans Affairs (VA) Transformation Twenty-One Total Technology Next Generation 2 (T4NG2) contract vehicle. T4NG2 can award up to \$60.7 billion in information technology (IT) services. The Committee is concerned the VA decision to award just 30 firms access to T4NG2 unnecessarily prevented additional entities, particularly many small businesses, from receiving part of this massive contract.<sup>1</sup> We write today to request documents and information related to this decision.

A key priority of this Committee is reversing the dangerous trend of small businesses being squeezed out of federal procurement. The T4NG2 contract has the potential to provide many small businesses with growth potential while providing services in support of our nation's veterans. Given the increased award amount in T4NG2, it seems the VA missed a crucial opportunity to include hundreds of capable small businesses, including those owned by service-disabled veterans. The award ceiling for T4NG2 rose 172.2 percent compared to the previous iteration in 2016 of \$22.3 billion.<sup>2</sup> At the same time, the number of firms selected only rose 42.9 percent—up to 30 contractors from 21 in 2016.<sup>3</sup> It is unclear why the VA determined the contract amount should increase nearly 200 percent without proportionally increasing the number of selected to service the contract.

The American people deserve to know that small businesses are being adequately included in efforts to serve our veterans. We therefore request the following documents and information as soon as possible but no later than February 8, 2024:

1. A detailed explanation of the rationale for the decision to award just 30 firms access to T4NG2.

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<sup>1</sup> Grace Dille, *VA Awards 30 Contractors Some of \$61B T4NG2 Contract*, MERITALK (Nov. 1, 2023).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

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2. A detailed explanation as to whether VA is concerned if many of the small businesses selected will most likely “size out” of their small status after winning work on just a few task orders.
3. A list of all considerations given to joint-venture (JV) firms compared to those without a JV.
4. A detailed list of all outreach made to service-disabled veteran and veteran owned businesses to inform them of T4NG2 including, but not limited to, the number of events.

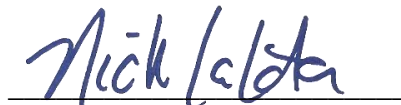
In addition to the above requests, we request a staff level briefing on this matter as soon as possible but no later than February 1, 2024.

To schedule the delivery of responsive documents or ask any related follow-up questions, please contact Committee on Small Business Majority Staff at (202) 225-5821. The Committee on Small Business has broad authority to investigate “problems of all types of small business” under House Rule X. Thank you in advance for your cooperation with this inquiry.

In God We Trust,



Roger Williams  
Chairman  
Committee on Small Business



Nick LaLota  
Chairman  
Subcommittee on Contracting and  
Infrastructure

cc: The Honorable Nydia M. Velasquez, Ranking Member  
Committee on Small Business