AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

119TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPORT
119–34

PLAIN LANGUAGE IN CONTRACTING ACT

MARCH 24, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WILLIAMS of Texas, from the Committee on Small Business, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 787]

The Committee on Small Business, to whom was referred the bill (H.R. 787) to require plain language and the inclusion of key words in covered notices that are clear, concise, and accessible to small business concerns, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

		Page
I.	Purpose and Bill Summary	2
II.	Need for Legislation	2
III.	Hearings	2
IV.	Committee Consideration	3
V.	Committee Votes	3
VI.	Section-by-Section of H.R. 787	5
VII.	Congressional Budget Office Cost Estimate	5
VIII.	New Budget Authority, Entitlement Authority, and Tax Expenditures	5
IX.	Oversight Findings & Recommendations	5
X.	Performance Goals and Objectives	5
XI.	Statement of Duplication of Federal Programs	6
XII.	Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits	6
XIII.	Federal Mandates Statement	6
XIV.	Federal Advisory Committee Statement	6
XV.	Applicability to Legislative Branch	6
XVI.	Statement of Constitutional Authority	6
XVII.	Minority Views	7

59–006

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Plain Language in Contracting Act".

SEC. 2. ACCESSIBILITY AND CLARITY IN COVERED NOTICES FOR SMALL BUSINESS CONCERNS.

(a) IN GENERAL.—Each covered notice shall be written in a manner—

(1) such that a small business concern can easily understand the intent of the covered notice; and

(2) that—

(A) is clear, concise, and well-organized; and

(B) to the maximum extent practicable, follows other best practices appropriate to the subject or field of the covered notice and the intended audience of the covered notice.

(b) INCLUSION OF KEY WORDS IN COVERED NOTICES.—Each covered notice shall, to the maximum extent practicable, include key words in the description of the covered notice such that a small business concern seeking contract opportunities using the single Government-wide point of entry described under section 1708 of title 41, United States Code, can easily identify and understand such covered notice.

(c) RULEMAKING.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall issue rules to carry out this section.

(d) DEFINITIONS.—In this section:

(1) COVERED NOTICE.—The term "covered notice" means a notice pertaining to small business concerns published by a Federal agency on the single Government-wide point of entry described under section 1708 of title 41, United States Code.

(2) SMALL BUSINESS ACT DEFINITIONS.—The terms "Federal agency" and "small business concern" have the meanings given those terms, respectively, in section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 3. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act or the amendments made by this Act.

I. PURPOSE AND BILL SUMMARY

On January 28, 2025, Rep. LaLota, along with Rep. Tran and Rep. Thanedar, introduced H.R. 787, the *Plain Language in Contracting Act*. H.R. 787 requires federal agencies to write contract solicitations in a clear and concise manner, to the maximum extent practicable.

II. NEED FOR LEGISLATION

The number of small businesses engaged in federal contracting has dropped precipitously over the past ten years. This is, in part, driven by the complexity of the language in federal contracts. The complexity of these contracts often discourages many businesses from competing for a federal government contract.

Small businesses are typically experts in their chosen fields, not in the law or federal contracting. Overly burdensome contracts require many small firms to hire attorneys and contract specialists to ensure compliance with agreements terms. This serves as a massive barrier to small business participation in government contracting. Ensuring contracts are written in an understandable manner will expand contracting opportunities to more small businesses.

III. HEARINGS

On February 5, 2025, the Committee on Small Business held a hearing examining matters related to H.R. 787 titled "Hope on the

Horizon: Prioritizing Small Business Growth in the 119th Congress."

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on March 5, 2025, and ordered H.R. 787, as amended, to be reported favorably to the House of Representatives. During the markup the Committee adopted an amendment in the nature of a substitute offered by Representative LaLota by voice vote.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The Committee voted to favorably report H.R. 787, as amended, to the House of Representatives at 11:45 AM.

Present	Representatives	Aye	Nay
	Mr. Stauber (MN-08)	X	
	Mr. Meuser (PA-09)	X	
	Ms. Van Duyne (TX-24)	X	
	Mr. Ellzey (TX-06)		
	Mr. Alford (MO-04)	X	
	Mr. (La-Low-ta) Lalota (NY-01)	X	
	Mr. Finstad (MN-01)	X	
	Mr. Wied (WI-08)	X	
	Mr. Bresnahan (PA-08)	X	
	Mr. Jack (GA-03)	X	
	Mr. Downing (MT-02)	X	
	Ms. King-Hinds (Del.-CNMI)	X	
	Mr. Schmidt (KS-02)	X	
13			
	Ranking Member Velazquez (NY-07)	X	
	Mr. Mc-Gar-vey (KY-03)	X	
	Ms. (Skull- ton) Scholten (MI-03)	X	
	Mrs. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Dr. Morrison (MN-03)	X	
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)	X	
	Ms. Simon (CA-12)	X	
	Dr. Olszewski (MD-02)	X	
	Dr. Conway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
12			
1	Chairman Williams (TX-25)	X	
	TOTALS	25	
26			

COMMITTEE ON SMALL BUSINESS
119th Congress (*First Session*)

Date: 03/05/2025

Time: 11:45 am

Measure: **H.R. 787** – Plain Language in Contracting Act

Offered By: _____

Amendment #: _____

Result?	Agreed To: [X]		
	Not Agreed To: [ ]		
	Withdrawn: [ ]		
Voice Vote	*Ayes*	*Nays*	*Present*
	25	0	

FC Vote #	3

VI. SECTION-BY-SECTION OF H.R. 787

Section 1—Short title

This act may be cited as the "Plain Language in Contracting Act".

Section 2—Accessibility and clarity in covered notices for small business concerns

This section requires that covered notices in government contracting are written in a clear, concise, and accessible way, and to the extent practicable consistent with Federal plain language guidelines.

In each covered notice, keywords will be required in the description to make it easier and quicker to identify what the notice is about. The SBA must develop rules to implement this law within 90 days.

VII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. The Committee has requested but not received from the Director of the Congressional Budget Office a cost estimate for the Committee's provisions.

VIII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(I) of the Congressional Budget Act of 1974, the Committee provides the following opinion and estimate with respect to new budget authority, entitlement authority, and tax expenditures. While the Committee has not received an estimate of new budget authority contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to Sec. 402 of the Congressional Budget Act of 1974, the Committee does not believe that there will be any additional costs attributable to this legislation. H.R. 787 does not direct new spending, but instead reallocates funding independently authorized and appropriated.

IX. OVERSIGHT FINDINGS & RECOMMENDATIONS

In accordance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee on Small Business with respect to the subject matter contained in the H.R. 787 are incorporated into the descriptive portions of this report.

X. PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirements of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, there are no performance goals and objectives of H.R. 787 applicable.

XI. STATEMENT OF DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, no provision of H.R. 787 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XII. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

XIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

XIV. FEDERAL ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

XV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to clause 7 of rule XII of the Rules of the House, the Committee finds that the authority for this legislation in Art. I, § 8, cl.1 of the Constitution of the United States.

XVII. MINORITY VIEWS

The Small Business Administration (SBA) is tasked with ensuring that small businesses are awarded a "fair proportion of the total purchases and contracts for goods and services of the Government in each industry category . . . ." In accordance with this mandate, Congress has imposed a governmentwide goal of awarding at least 23% of all small business eligible Federal prime contracting dollars to small businesses. SBA's FY23 scorecard showed that the federal government awarded 28.4% of federal contract dollars to small businesses, a total of $178 billion.[1]

At the same time that the amount of prime contract dollars awarded to small businesses has reached record highs, the number of small businesses in the industrial base has declined dramatically. The federal government has documented a roughly 40% decrease in the number of small businesses receiving prime contract awards over the past decade. The data show that the federal government is not retaining current small business government contractors, and new small businesses are not choosing to enter the federal market.

Current procedures around small business procurements require federal agencies to conduct market research, request proposals, and issue solicitations by posting notices on the government's SAM.gov website. These documents identify what the agency intends to buy, the procedures they will use to buy it, and their deadlines. Interested companies then submit proposals, bids and other information in response.

Many stakeholders raise concerns about the complexity of the requirements for contracting with the government, especially for small businesses seeking a federal contract for the first time. This complexity can be compounded by the language used in contracting documents, which may be unfamiliar to a small business with no previous government work. The government-unique processes and wording can differ from commercial practices in a way that may discourage companies from doing work with the government.

NYDIA M. VELÁZQUEZ,
Ranking Member.

○

[1] Press Release, U.S. SMALL BUS. ADMIN., Biden-Harris Administration Awards Record-Breaking $178 Billion in Federal Procurement Opportunities to Small Businesses (Apr. 29, 2024), https://www.sba.gov/article/2024/04/29/biden-harris-administration-awards-record-breaking-178-billion-federal-procurement-opportunities.