REGIONAL
NMSDC Councils
National Minority Supplier Development Council Network

SBA Proposed Size-Standard Changes

Business Owner Comment Guide & Template

For individual comments on the SBA's proposed size-standard changes, Regional NMSDC council stakeholders should address the six topics below. A letter template follows to help you prepare your submission.

How to Submit: Once your letter is complete, submit your comments and upload your correspondence at **https://www.regulations.gov/commenton/SBA-2026-0199-0001**

What to Address in Your Comment

1. Company Background

Describe the company's industry, NAICS code, years in business, annual revenue, workforce, customers, and current small-business or MBE certifications.

2. Effect of the Proposed Size Increase

Explain how the revised size standard would affect the company's eligibility, competitive position, growth prospects, and ability to win federal contracts.

3. Impact of Larger Competitors Entering the Small-Business Market

Discuss whether substantially larger companies would become newly eligible to compete for contracts currently reserved for small businesses.

4. Effect on Contracting and Subcontracting Opportunities

Identify specific set-aside contracts, multiple-award vehicles, subcontracting opportunities, or agency procurements that may become more difficult to pursue under the proposed standards.

5. Impact on Minority-Owned Businesses

Explain whether minority-owned firms face particular barriers, such as limited access to capital, bonding, relationships, past performance, or acquisition opportunities, that make competition against newly eligible larger firms especially difficult.

6. Recommendations to SBA

State whether the company supports, opposes, or seeks modification of the proposal. Recommend alternatives such as smaller or phased increases, industry-specific adjustments, transition periods, employee-based limits, or safeguards for the smallest businesses.

Include concrete evidence wherever possible, such as revenue ranges, employee counts, contract values, lost bids, competitor sizes, or examples of procurements likely to be affected, while clearly explaining how the proposal would affect your own business.

Business Owner Comment Template

Submitted by: [Company/Organization Name]
Contact: [Name, Title, Email and Telephone]
Primary NAICS Code(s): [Insert NAICS Code(s)]
Current Size Standard: [Insert Current Standard]
Proposed Size Standard: [Insert Proposed Standard]
Date: [Insert Date]

Re: Comments on the SBA's Proposed Changes to Small-Business Size Standards

To Whom It May Concern:

My name is [NAME], and I serve as [TITLE] of [COMPANY], a [MINORITY-OWNED/SMALL/DISADVANTAGED/OTHER] business located in [CITY AND STATE]. I submit these comments regarding the U.S. Small Business Administration's proposed changes to its small-business size standards.

The proposed rule would make massive changes to the federal small-business marketplace. Yet SBA has provided affected businesses with very little time to understand the proposal, analyze its industry-specific consequences, consult with advisers and employees, and prepare well-supported comments.

SBA also appears to have developed these sweeping changes with little to no real consultation with the small businesses that will be most directly affected. A proposal of this magnitude should not move forward without adequate time, transparency, industry engagement and careful consideration of its real-world effects.

1. Company Background

[COMPANY] has operated for approximately [NUMBER] years and provides [DESCRIPTION OF PRODUCTS OR SERVICES]. We employ approximately [NUMBER] people and generate approximately [REVENUE RANGE] in annual revenue.

Our company primarily performs work under NAICS code(s) [INSERT CODES]. We currently hold the following certifications: [LIST SMALL-BUSINESS, MBE, DBE, 8(a), HUBZONE, WOSB, SDVOSB OR OTHER CERTIFICATIONS].

Our customers include [FEDERAL AGENCIES, STATE OR LOCAL GOVERNMENTS, PRIME CONTRACTORS AND/OR COMMERCIAL CLIENTS]. Federal small-business contracting programs have helped our company [CREATE JOBS, DEVELOP PAST PERFORMANCE, OBTAIN FINANCING, ENTER NEW MARKETS OR OTHERWISE GROW].

2. Inadequate Time for Analysis and Public Comment

The time provided to analyze and comment on this proposal is insufficient given the number, scope and potential consequences of the proposed changes.

A thorough analysis requires small businesses to:

- Identify every proposed change affecting their applicable NAICS codes;
- Determine which larger companies would become newly eligible as small businesses;
- Review existing contracts, set-aside opportunities and procurement pipelines;
- Evaluate the effects on teaming, subcontracting and mentor-protégé arrangements;
- Consult with employees, accountants, attorneys, trade associations and contracting professionals; and
- Develop evidence demonstrating how the proposal would affect their operations and competitive position.

Small businesses generally do not maintain dedicated regulatory-affairs departments. Business owners must conduct this analysis while continuing to manage employees, serve customers, prepare bids and operate their companies.

The compressed comment period prevents many affected businesses from providing SBA with the information necessary to make a fully informed decision. Extending the current comment period would not adequately remedy the more fundamental problem: SBA developed and issued a proposal containing massive changes to the small-business marketplace without first consulting directly with the small businesses that will be most directly affected.

SBA should therefore rescind the proposed rule. Any future proposal should be issued only after SBA has completed a transparent, direct consultation process with affected small businesses, minority-owned businesses, industry organizations and other relevant stakeholders.

3. Lack of Direct Small-Business Consultation

SBA should explain what consultation it conducted with small businesses before proposing these changes, including the number, size, industries and geographic locations of the businesses consulted.

Based on our experience, small and minority-owned businesses have not been given a genuine opportunity to help shape the proposal. A limited formal comment period after the proposal has already been developed is not a substitute for early and sustained consultation.

Before developing any replacement proposal, SBA should conduct:

- Industry-specific listening sessions;
- Regional roundtables with small and minority-owned businesses;
- Consultations with small-business trade associations and certifying organizations;
- Meetings with current federal contractors and subcontractors; and
- A transparent analysis of how newly eligible larger firms would affect existing small businesses.

Policies intended to define and support small businesses should be developed with small businesses, not simply imposed upon them.

4. Effect of the Proposed Size-Standard Increase on Our Company

Under the proposal, the size standard for our industry would increase from [CURRENT STANDARD] to [PROPOSED STANDARD], an increase of approximately [PERCENTAGE OR DOLLAR/EMPLOYEE AMOUNT].

This change would affect our company by [DESCRIBE THE EFFECT ON ELIGIBILITY, COMPETITION, GROWTH, CONTRACTING OPPORTUNITIES OR BUSINESS VALUATION].

For example, [DESCRIBE A PARTICULAR CONTRACT, SOLICITATION, AGENCY MARKET OR BUSINESS OPPORTUNITY THAT MAY BE AFFECTED].

Although adjusting size standards can account for inflation and legitimate changes within an industry, the increases must be based on a careful analysis of actual market conditions. A business with [PROPOSED REVENUE OR EMPLOYEE LEVEL] may have fundamentally different resources and capabilities from a business of our size.

5. Competition From Much Larger Businesses

The proposed standards could allow substantially larger and better-capitalized companies to compete for contracts intended for small businesses.

Newly eligible companies may have:

- Larger proposal and business-development teams;
- Greater access to capital and bonding;
- More extensive past performance;
- Established relationships with contracting agencies;
- Greater capacity to absorb delayed payments or unsuccessful bids; and
- More resources to pursue multiple procurements simultaneously.

Our company currently competes against firms with approximately [DESCRIBE COMPETITOR SIZE OR RESOURCES]. If the proposed standard is adopted, we expect that [DESCRIBE THE TYPES OR NUMBER OF LARGER COMPANIES] could become eligible to compete as small businesses.

This would not simply increase competition among similarly situated small businesses. It could place genuinely small firms in direct competition with companies that possess the personnel, revenue, infrastructure and market power of midsized or large businesses.

6. Impact on Contracting and Subcontracting Opportunities

The proposal could affect our ability to compete for [SMALL-BUSINESS SET-ASIDES, MULTIPLE-AWARD CONTRACTS, TASK ORDERS, SUBCONTRACTS OR OTHER OPPORTUNITIES].

Examples include:

- [IDENTIFY A CONTRACT, AGENCY OR PROCUREMENT];
- [IDENTIFY A CONTRACT VEHICLE OR SET-ASIDE PROGRAM]; and
- [DESCRIBE A SUBCONTRACTING OR TEAMING OPPORTUNITY].

If larger firms become eligible for these opportunities, agencies may increasingly award contracts to businesses at the upper end of the new size standards. Over time, this could concentrate small-business contract dollars among the largest eligible firms while reducing opportunities for emerging and established small businesses.

SBA should analyze not only how many companies would become newly eligible, but also how the proposal would change the distribution of federal small-business contract dollars.

7. Disproportionate Impact on Minority-Owned Businesses

Minority-owned businesses continue to face persistent barriers to capital, bonding, contracting relationships, acquisition opportunities and participation in established business networks.

[DESCRIBE THE SPECIFIC BARRIERS EXPERIENCED BY YOUR COMPANY.]

For example, our company has experienced [LIMITED CREDIT ACCESS, HIGHER FINANCING COSTS, BONDING LIMITATIONS, DIFFICULTY OBTAINING PAST PERFORMANCE, LIMITED PRIME-CONTRACTOR ACCESS OR OTHER BARRIERS].

Allowing substantially larger firms to enter the small-business market without addressing these barriers would make it even more difficult for minority-owned firms to compete. The proposal could therefore produce a disproportionate impact on businesses that already face structural disadvantages in the federal marketplace.

8. Recommendations

Based on the effects described above, [COMPANY] respectfully requests that SBA rescind the proposed rule and refrain from issuing a replacement proposal until proper consultation with affected small businesses has been concluded.

Before developing and publishing any replacement proposal, SBA should:

- Conduct regional and industry-specific listening sessions with affected small businesses;
- Consult directly with minority-owned, disadvantaged and other underserved businesses;
- Engage small-business trade associations, certifying organizations, federal contractors and subcontractors;
- Publish a detailed analysis of the proposed changes for each affected NAICS code;
- Determine how many larger firms would become newly eligible and how much federal contracting revenue those firms already receive;
- Analyze the likely effects on competition, contract awards and the distribution of small-business contracting dollars;
- Examine the potential disproportionate impact on minority-owned and genuinely small businesses;
- Make the consultation record and supporting data available to the public; and
- Use the information gathered through that process to develop a new proposal that reflects actual market conditions and the experiences of affected small businesses.

Following proper consultation, SBA should provide the public with sufficient time to review and comment on any newly proposed rule.

Conclusion

These proposed size-standard changes could fundamentally reshape competition within the federal small-business marketplace. Changes of this magnitude should not be rushed through without real consultation with the businesses that will bear their consequences.

The deficiencies in the process cannot be cured merely by adding more time to the current comment period. Small businesses should have been consulted before SBA developed and published such a sweeping proposal.

For these reasons, [COMPANY] respectfully requests that SBA rescind the proposed rule. SBA should conduct a thorough, transparent and inclusive consultation process and should not issue a new proposal until that process has been completed and its findings have been properly considered.

Thank you for considering these comments.

Sincerely,

Name: [NAME]
Title: [TITLE]
Company: [COMPANY]
Address: [ADDRESS]
Email: [EMAIL]
Telephone: [TELEPHONE]

How to Submit: Submit your comments and upload this letter at **https://www.regulations.gov/commenton/SBA-2026-0199-0001**