

September 2, 2025

The Honorable Roger Williams Chairman, Committee on Small Business U.S. House of Representatives Washington, D.C. 20515 The Honorable Nydia Velazquez Ranking Member, Committee on Small Business U.S. House of Representatives Washington, D.C. 20515

Dear Mr. Chairman and Representative Velazquez:

I write on behalf of the 3,000 specialty construction contracting employers of the Mechanical Contractors Association of America (MCAA) to advise you of our strong support for H.R. 4615, the "Small Business Payment for Performance Act." The MCAA respectfully requests that the Committee schedule this legislation for mark up at the earliest possible opportunity.

The MCAA's members provide top-quality, high-tech services to their public and private sector clients on mechanical system, plumbing, fire sprinkler, HVAC, and refrigerant system projects. This includes providing services to federal agencies on new construction, as well as on existing facility maintenance and service contracts. While these government contracts can provide a source of stable revenue for MCAA members, our member companies face financial risks from sometimes frequent changes in the scope of work and other requirements on government contracts that are unilaterally imposed by a federal client. These alterations, known as change orders, often lead to delayed or unpaid work and discourage participation in federal contracting.

To address this, the "Small Business Payment for Performance Act" proposes reforms to expedite payment to contractors and subcontractors for change order work. It allows contractors to submit a request for an equitable adjustment (REA) if an agency contracting officer for a project directs a change in the terms of contract performance without the agreement of the contractor. The bill also requires the agency to pay at least 50 percent of the additional costs while the REA is pending, and that a contractor receiving an equitable adjustment must flow-down these interim payments to the first- and second-tier subcontractors who performed the work required by the change order. These changes to federal contracting law will prevent federal contracts from becoming a trap for MCAA members and other specialty subcontractors that bear the risk of unilateral changes to scope of federal agency contracting. MCAA strongly supports this important and just legislation.



On behalf of the membership of MCAA, thank you in advance for your consideration of our views on this matter. We again respectfully request that the Committee expeditiously advance H.R. 4615 to the full House of Representatives.

Sincerely,

James Gaffney

Chairman

MCAA Government Affairs Committee