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United States Senate

COMMITTEE ON SMALL BUSINESS

WASHINGTON, DC 20510-6350

EMILIA DISANTO, STAFF DIRECTOR
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February 16, 1999

VIA Fax #: (202) 205-6802
Ms. Aida Alvarez
Administrator
Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

Dear Ms. Alvarez:

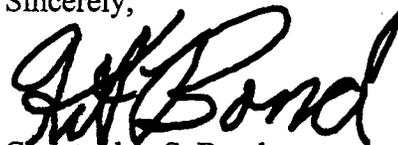
It was a pleasure meeting with you on February 3, 1999, to discuss the President's FY 2000 budget request for the Small Business Administration (SBA). I appreciate having the opportunity to discuss a number of issues of importance to Committee on Small Business (Committee) and the small business community. During the course of our meeting, additional materials relating to the operation and activities of the SBA were discussed and requested. In that regard, set forth below is a list of the materials requested.

1. A copy of the original FY 2000 budget request submitted by the Office of Inspector General (OIG) including other material supporting that budget request.
2. Copies of those materials explaining and supporting the need for an increase in the Business Loan Account. With this reply, please include copies of all recommendations and analyzes conducted by or for the SBA regarding the Business Loan Account.
3. Copies of all studies or analyzes conducted by or for the SBA supporting the lowering of fees paid by the borrowers and lenders under the 7(a) business loan program for loans under \$150,000. Please include the SBA's analysis of the impact this proposal would have on loan volume and the future geographic distribution of 7(a) loans.
4. Copies of any analyzes and/or studies that would measure the impact of fees on individual small business entrepreneurs if SBA decreases its contribution to SBDCs from \$82 million to \$62 million. Please include with this response any and all documentation supporting the SBA's position that SBDCs generally favor small businesses that are more financially sound to the detriment of more needy small business owners.

During the course of our previous discussion regarding the SBA's delay in implementing the HUBZone program, you stated the hold-up was the result of the delay in publishing HUBZone program changes in the Federal Acquisition Regulation (FAR). My interest in assuring the prompt implementation of the HUBZone program is unrelenting. This program is vital to the small business community, which we are charged to serve. In light of this interest, I will, under separate cover, request responses to a number of issues relating to HUBZones.

Please provide these materials to the Committee by close of business on February 24, 1999. Should you have any questions regarding these requests or if you believe that any of these requests can be further refined and still meet the needs of the Committee, please contact Paul Cooksey at 4-5175. Thank you in advance for your cooperation in this important matter.

Sincerely,



Christopher S. Bond