



U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

JUN 3 3 2003

The Honorable John Kerry  
Ranking Member  
Committee on Small Business and Entrepreneurship  
United States Senate  
Washington, DC 20510

Dear Senator Kerry:

The Small Business Administration will apply the econometric model currently applied to the 7(a) loan program to the Supplemental Terrorist Activity Relief (STAR) loans made through the 7(a) loan program between October 1, 2002 and January 10, 2003.

As a result these loans will score a 1.04% subsidy rate.

This same letter has been sent to Chair Snowe.

Sincerely,

Hector V. Barreto  
Administrator