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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP WASHINGTON, DC 20510-6350

November 1, 2007

VIA FACSIMILE & FIRST-CLASS MAIL

The Honorable Steven C. Preston, Administrator U.S. Small Business Administration 409 Third Street, SW, Room 7000 Washington, DC 20416

Re: U.S. Small Business Administration's Size Determination regarding Presidential Airways, an affiliate of Blackwater

Dear Administrator Preston:

Thank you for your timely response to my letter concerning the employment status of Blackwater USA's workers. I appreciate the information you sent, but have further questions regarding the size determination made in regards to Presidential Airways, Inc., a Blackwater USA affiliate.

Specifically, please provide my office with:

- A thorough analysis of the size determination made regarding Blackwater;
- The information that was relied on in making the size determination;
- The number of employees and independent contractors Blackwater and each of its affiliates or related companies listed in Size Determination Memorandum File Number 3-2007-3-4-5 were determined to have through the SBA's analysis;
- The number (and location) of site visits that were done to confirm any information Blackwater or its affiliates provided;
- How the SBA used the Twenty Factor Common Law Test in making the size determination;
- Any additional materials related to other size determinations involving Blackwater USA or any of its affiliates.

The emergence of companies working in combat zones like Blackwater certainly presents a new challenge to SBA's size determination process. It would be helpful to me to know whether the SBA has a formal policy about how to deal with the status of workers in combat zones in future procurements.

I request that you provide these documents no later than November 9, 2007. If you have any questions please don't hesitate to contact me or have your staff contact Gregory Willis or Angela Ohm of my staff at 202-224-5175. Thank you for your timely attention to this matter.

Sincerely,

John Kerry

Chairman