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United States Senate

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

July 9, 2002

The Honorable Hector V. Barreto Administrator U.S. Small Business Administration 409 3rd Street, S.W. Washington, D.C. 20416

Dear Administrator Barreto:

I am writing regarding the implementation of the procurement program for womenowned businesses as called for in P.L. 106-554. The Women's Procurement Program, codified in Section 8(m) of the Small Business Act, as enacted into law in 2000, is intended to provide a direct means of increasing the participation of women-owned small business concerns in the Federal procurement marketplace. As you know, Section 8(m)(4) requires that a study be undertaken by the Administrator of the Small Business Administration (SBA), regarding the identification of industries where women-owned small business concerns are underrepresented in the Federal procurement marketplace, before the program can be implemented. It is my understanding that the draft study prepared internally by the SBA to meet this requirement has not moved forward because of legal concerns and statistical problems. As a result, the OMB has pulled the study from consideration, resulting in further delays, and causing real economic injury to countless women-owned small businesses.

As Chairman of the Senate Committee on Small Business and Entrepreneurship, I am requesting that you send me a copy of the draft study prepared by the SBA, so that I may better understand the hurdles you are facing in properly implementing the congressionally mandated Women's Procurement Program. I am also requesting that you provide me with a detailed timetable setting forth when the study will be completed, when regulations will be proposed, when procurement and SBA staff will receive training on the use of and importance of this program, as well as any other pertinent matter. It is unclear to me whether it is the Administration's intention to completely redo the study or make revisions. As it has taken over 18 months to reach this point in the process, it is my hope that the Administration is only considering revisions to the draft study.

As you know, I strongly support the 5 percent prime contracting goal for women-owned small businesses, as does the vast majority of my colleagues. Failure to have in place an effective women's procurement program will only make it more difficult for the Federal government to meet this statutory goal and cost women-owned firms billions of dollars in Federal procurement contracts.

Pg. 2 The Honorable Hector V. Barreto July 9, 2002

I look forward to working with you on this important issue and receiving the draft study and timetable by Wednesday, July 17, 2002. Please feel free to contact me, or have your staff contact John DaSilva of my Committee staff at (202) 224-5175.

Sincerely,

John F. Kerry Chairman

