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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510-6350
June 30, 2005

The Honorable Charles Kincannon Director U.S. Census Bureau 4700 Silver Hill Road Washington DC 20233-0001

Re: 2002 Minority Business Census Data

Dear Mr. Kincannon:

I am writing to request your assistance in expediting the release of minority business data that has been collected and is currently being analyzed by the U.S. Census Bureau.

Providing minority businesses located in our most underserved rural and urban areas with the managerial, marketing, and financial management training essential to business development, will greatly increase the sustainability of these firms. However, to measure the effectiveness of existing programs and to create policies that will effectively address the needs of these firms, accurate data is needed.

The data collected by the U.S. Census Bureau is used by the Minority Business Development Agency (MBDA) to perform the Surveys of Minority-Owned Business Enterprises. The data from the MBDA surveys are then analyzed for reports detailing the growth of minority firms. Unfortunately, the most recent survey was conducted in 1997. Seven-year-old data does not provide an accurate picture of the current challenges facing minority firms. However, because newer data has not been made available, the outdated data is still being used to develop reports such as the "Dynamics of Minority-Owned Employer Establishments," released in February 2005 by the SBA.

As you may know, the President has failed to include sufficient funding in the fiscal year 2006 annual budget to perform a comprehensive minority business census next year. It is my understanding, however, that the Census Bureau has begun compiling data from 2002 in an effort to provide more recent information to the MBDA. It is also my understanding that the Census Bureau is not planning to release the data until December when it is likely that Congress will have completed action on the fiscal year 2006 appropriations bills, too late to help determine the funding needs for minority business programs in the upcoming fiscal year.

As the Ranking Member on the Senate Committee on Small Business and Entrepreneurship, I am requesting your assistance in expediting the release of the 2002 data.

The Honorable Charles Kincannon June 30, 2005 Page 2

If you have any questions or concerns about this request, please have your staff contact Nigel Stephens of my Committee staff at (202) 224-8496. Thank you for your assistance on this important matter and I look forward to working with you.

incerely,

John F. Kerry