

United States Senate

WASHINGTON, DC 20510

January 28, 2009

The Honorable President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

Let us take this opportunity to congratulate you on your election. We look forward to working closely with you and your Administration to tackle the major issues facing our country, particularly those impacting the 25.8 million small businesses in the United States. Small businesses represent over 99 percent of all firms, employ half of all private sector workers, and most importantly, create approximately three-quarters of net new jobs each year. As such, small businesses are not only the cornerstone of our economy but we believe they shall be the catalyst for our economy recovery. Because of this importance to the economic recovery of our nation, we write to urge your consideration of an executive order to return the U.S. Small Business Administration (SBA) to cabinet-level status.

As recently as the Clinton Administration, the SBA Administrator held this designation and participated in policy formation by the National Economic Council. If empowered by a return to the cabinet, the SBA Administrator can be a more effective champion for our small businesses. In this difficult economic time, the SBA should be in a stronger position to help ease the ongoing credit crunch. The agency also would provide more effective oversight to ensure small businesses, including women-owned and veteran-owned businesses, receive their fair share of Federal contracting opportunities.

In closing, we would reiterate that after years of neglect, the SBA is an agency at a crossroads. The SBA has a core of dedicated staff and many excellent programs, but has lacked the necessary funding and vision to fully realize its mission. As the Chair and Ranking Member of the Senate Committee on Small Business and Entrepreneurship, we are committed to work with your Administration to address these and other ongoing agency needs. However, we believe a great first step would be to return the SBA to the cabinet within the first 100 days. In the midst of the current economic crisis and the challenges ahead, this would send a clear signal to our small businesses that they will drive our nation out of this recession.

Thank you for your consideration of this important request.



Mary L. Landrieu
United States Senator

Sincerely,



Olympia J. Snowe
United States Senator