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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

January 29, 2002

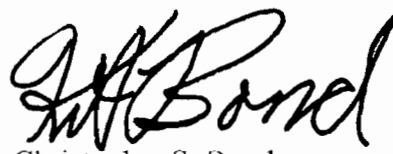
The Honorable Hector Barreto
Administrator, Small Business Administration
409 Third Street SW
Washington, DC 20416

Dear Administrator Barreto:

Many thanks and congratulations on publication of the proposed HUBZone rules in yesterday's Federal Register, formally establishing parity between the HUBZone and 8(a) programs. Establishing parity was the central compromise that resulted in the HUBZone Act clearing the Senate Small Business Committee and ultimately being enacted in 1997. Implementing that good-faith agreement on this issue was vital, and I appreciate the steps you have taken to make that formal.

These clarifying changes to SBA's regulations will make additional contracting dollars available to our nation's most distressed inner cities, poor rural counties, and Indian reservations. Contracting officers will now have the flexibility to carry out both their 8(a) and HUBZone goals. Thank you again for taking this important step.

Sincerely,



Christopher S. Bond
Ranking Member

cc: Robert Gangwere,
Acting General Counsel,
Small Business Administration