

United States Senate

WASHINGTON, DC 20510

February 1, 2008

The Honorable Steven C. Preston
Administrator
Small Business Administration
409 Third Street, SW, Suite 7900
Washington, DC 20416-2230

Dear Administrator Preston,

As women in the Senate we strongly oppose rule #3245-AF40 regarding Women-Owned Small Business Federal Contract Assistance. This rule undermines 8 years of Congress' efforts to help women-owned small businesses compete on a level playing field for federal contracts.

Almost a third of all businesses in the US are owned by women. They are mothers, wives, and sisters but also hardworking entrepreneurs contributing to the economy. They deserve a fair shot at doing business with their government but in 2006, women run businesses only won 3.4% of federal contracting dollars.

In 2000, Congress passed a law that said 5% of federal contracts should go to women-owned businesses. Considering the growing number of women business owners, a 5% goal seems more than realistic. To meet this goal, SBA was supposed to instruct agencies to limit certain competitions to women-owned businesses. However, the agency dragged their feet and according to the court that looked at the case "sabotaged...the implementation of the program."

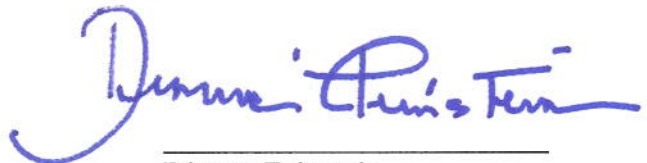
In December, despite clear congressional intent and a strong call to action from the courts, the SBA published a rule that would only help women in 4 of 2,300 business categories. This is outrageous, especially considering a study commissioned by the SBA itself found women were underrepresented in federal contracting in 87% of all industries. SBA's new rule would do almost nothing to help level the playing field – which is what Congress has been trying to do for over 8 years.

Congress has demanded that women in business be given a fair chance and we're relying on your agency to come through for them. Your first step should be to come up with a new rule that takes a realistic look at women's growing small business presence but continued lack of federal contracting opportunities. The pending rule ignores congressional intent, SBA's own research, and the reality many women confront when trying to work with the federal government. It needs to be withdrawn.

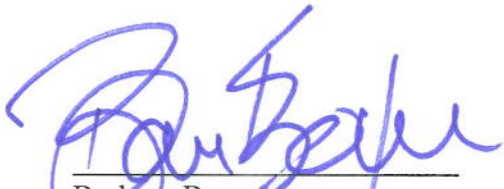
Sincerely,




Barbara A. Mikulski
United States Senate




Dianne Feinstein
United States Senate

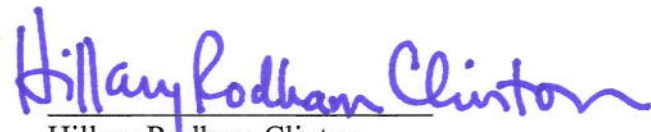

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