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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

November 13, 2001

The Honorable David M. Walker
Comptroller General
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Walker:

Please provide us assistance in learning more about the Small Business Administration's (SBA) sale of loans made under the 7(a) program. As you know, the 7(a) program is SBA's largest lending program and its primary means of providing small businesses with access to credit. SBA has been selling loans in its own portfolio and facilitating the sale of such loans held by banks. I have two specific areas of interest regarding these loan sales. First, I am interested in information about the process for selling these loans including the roles of various SBA offices, banks, and any contractors involved. Second, I want information about loan proceeds resulting from these sales. Your work should include analyses of the net value of loan proceeds, including costs subtracted from the gross sales proceeds and the division of proceeds among different loans in the loan pools.

Thank you for your consideration of this request. Please contact Emilia DiSanto of the Committee staff at (202) 224- with any questions.

Sincerely,



Christopher S. Bond
Ranking Member