

Congress of the United States
Washington, DC 20515

October 28, 2009

Ms. Karen Mills
Administrator
Small Business Administration
409 3rd St., SW
Washington, DC 20246

Dear Administrator Mills:

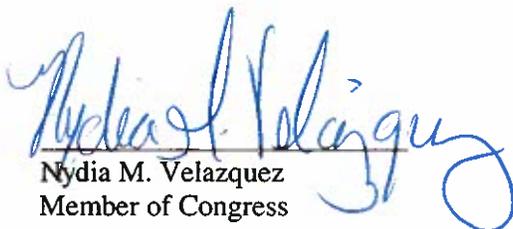
We are writing to encourage the Small Business Administration to move quickly to consider changing the size standard that is applied to small architectural and engineering firms (NAICS 541310 and 541330) in accordance with Section 3 of the Small Business Act (15 U.S.C. 632(a)(2) and (3)). Congress provided SBA with discretion (by delegating authority to the Administrator) to establish detailed small business size requirements ensuring maximum participation in federal programs by small firms to promote overall competition. SBA is required to establish different standards for each industry to the extent necessary to reflect differing characteristics between industries.

The economic structure of each industry should be the basis for developing and modifying the appropriate size standards. Businesses and associations working within the architectural and engineering industry have regularly reported that the existing size standard (\$4.5 million in average annual receipts) has not kept up and does not accurately reflect the structure of the industry when elements like average firm size, technological changes and growth trends are fully considered. There is concern that failure to properly adjust the standard could inflict long-term damage to businesses within this sector and reduced federal contract participation opportunities.

SBA has been conducting an ongoing review of key industry size standards and should undertake such a review for architectural and engineering firms as quickly as possible. Time is of the essence in this key industry due to the volume of federal and state infrastructure investment from the American Reinvestment and Recovery Act (ARRA) projects. Congress made participation to the maximum extent possible by small firms in ARRA projects a key element of the Act and the President has expressed strong support for the policy. Reviewing and improving the current size standard for architectural and engineering forms furthers that goal.

Thank you for your prompt assistance in this matter. SBA's efforts are vital to this important industry. Please advise us if you intend to start such a review and, if so, the target date for completion of the proposed regulations. If you have questions please feel free to contact our offices.

Sincerely,


Nydia M. Velazquez
Member of Congress


Doris O. Matsui
Member of Congress