

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO**



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March 27, 2017

The Honorable Linda McMahon
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Re: Puerto Rico Oversight, Management and Economic Stability Act Section 412(b)(1)

Dear Administrator McMahon:

I write to you on behalf of the Financial Oversight and Management Board for Puerto Rico (the "Board"). The purpose of this letter is to inquire as to the status of the Small Business Administration's ("SBA") development of criteria and guidance for the designation of HUBZone small business concerns.

Section 412 of the Puerto Rico Oversight, Management and Economic Stability Act ("PROMESA") sets forth certain actions that the SBA must take with respect to the expansion of HUBZones in Puerto Rico. In particular, Section 412(b)(1) of PROMESA instructs that:

Not later than 270 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall develop and implement criteria and guidance on using a risk-based approach to requesting and verifying information from entities applying to be designated or recertified as qualified HUBZone small business concerns (as defined in section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5))).

Today, March 27, 2017, is the 270th day since the enactment of PROMESA. As such, the Board would appreciate any information the SBA can provide concerning the status of its efforts to develop and implement the criteria and guidance discussed above.

We appreciate your prompt attention to this matter and look forward to working with you and the SBA.

Hon. Linda McMahon

March 27, 2017

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Sincerely,

Natalie Jaresko

(NJK)

Natalie A. Jaresko
Executive Director

cc Members of the Financial Oversight and Management Board for Puerto Rico