

be necessary to ensure a well-balanced national economy." The policy of Congress as stated in Section 2(a) of the Small Business Act, includes the following statement:

Only through full and free competition can free markets, *free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment* be assured. [Emphasis added.]

It is within the context of this policy statement by Congress that entry into ownership will provide opportunities for growth in personal initiative and individual judgment, will preserve and expand competition under the free enterprise system, and will contribute to the economic well-being and security of the Nation.

Accordingly, we are considering expanding the change of ownership policy to permit loans which would contribute to a well-balanced national economy by facilitating ownership by persons who could not otherwise participate in the free enterprise system because of economic, physical or social disadvantages, or because of the disadvantage of being located in an area where adequate business financing through normal lending channels is not available on reasonable terms.

I appreciate this opportunity to explain our policies on a matter significant to the advancement of Project OWN and your continued interest in our programs.

Sincerely,

HOWARD J. SAMUELS, *Administrator*.

The CHAIRMAN. Mr. Administrator, I think this hearing will be very helpful. And we appreciate the opportunity for a get-acquainted meeting with you. You have many tools, and this committee is interested in seeing you utilize these tools properly and effectively in line with the intent of Congress.

Your policy regarding the independence of SBA has already been mentioned by Mr. Broyhill and others. Of course, you brought from GSA a very efficient and very effective man, Mr. Greenberg. If you bring efficient and effective men from Commerce over, maybe they will get the Gospel and the indoctrination, and they will not be wanting you to consolidate or merge with the Department of Commerce.

Mr. SAMUELS. Thank you.

The CHAIRMAN. I have a question here, that you are utilizing a number of personnel in Commerce. Who is paying the salaries, what authority, what arrangement has been made?

Mr. SAMUELS. This is part of an attempt to stop the fragmentation of efforts between agencies in terms of utilization of people. When I was with the Commerce Department, we had some programs for the development of minority businesses, and it just seems to me that the worst thing this Government can do is have the same kind of program going on in four or five different agencies.

When I came over, there was an understanding that we would bring all the services together. These people have been detailed over to us, and I think some of them are going to stay with us in the program.

The CHAIRMAN. Have you got any information as to the number of new minority-owned businesses that have been created since you have been Administrator?

Mr. SAMUELS. I don't have—

The CHAIRMAN. Numberwise, you testified earlier that you wanted to bring in 20,000 new businesses a year in your agency.

Mr. SAMUELS. Do we have those figures with us today?

I think we have July and August figures.

The CHAIRMAN. You have only been aboard as Administrator for about 3 months, and your goal is 20,000 businesses in a—

Mr. SAMUELS. That is about 1970, Mr. Chairman, that this is what I think the agency requires.