

District routing symbol lists are amended by removing the headings and listings for the First Federal Reserve District and revising the listings for the Third Federal Reserve District. The revisions read as follows:

**Appendix A to Part 229—Routing Number Guide to Next-Day Availability Checks and Local Checks**

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C. Each Federal Reserve check-processing office is listed below, followed by the Federal Reserve routing symbols of the banks that are located within the check-processing region served by that office. Because some check-processing regions cross Federal Reserve District lines, there are some cases in which banks in different Federal Reserve Districts are located in the same check-processing region and therefore considered local to each other. For example, banks in Fairfield County, Connecticut are located in the Second District and have Second District routing symbols (0211 or 2211), but the head office of the Federal Reserve Bank of Philadelphia processes the checks of these banks. Thus, as indicated below, checks drawn on banks with 0211 or 2211 routing numbers would be local for banks served by the head office of the Federal Reserve Bank of Philadelphia.

**Third Federal Reserve District**

[Federal Reserve Bank of Philadelphia]  
Head Office

0110 <sup>1</sup> .....	2110
0111 .....	2111
0112 .....	2112
0113 .....	2113
0114 .....	2114
0115 .....	2115
0116 .....	2116
0117 .....	2117
0118 .....	2118
0119 .....	2119
0210 .....	2210
0211 .....	2211
0212 .....	2212
0213 .....	2213
0214 .....	2214
0215 .....	2215
0216 .....	2216
0219 .....	2219
0260 .....	2260
0280 .....	2280
0310 .....	2310
0311 .....	2311
0312 .....	2312
0313 .....	2313
0319 .....	2319
0360 .....	2360

<sup>1</sup> The first two digits identify the bank's Federal Reserve District. For example, 01 identifies the First Federal Reserve District (Boston), and 12 identifies the Twelfth District (San Francisco). Adding 2 to the first digit denotes a thrift institution. For example, 21 identifies a thrift in the First District, and 32 denotes a thrift in the Twelfth District.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, acting through the

Secretary of the Board under delegated authority, July 15, 2008.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. E8-16481 Filed 7-17-08; 8:45 am]

**BILLING CODE 6210-01-P**

**SMALL BUSINESS ADMINISTRATION**

**13 CFR Parts 121 and 123**

**RIN 3245-AF41**

**Small Business Size Standards: Inflation Adjustment to Size Standards, Business Loan Program, and Disaster Assistance Loan Program**

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Final rule.

**SUMMARY:** This rule finalizes the U.S. Small Business Administration's (SBA) December 6, 2005 interim final rule that amended monetary-based small business size standards for inflation. This rule adds an 8.7 percent increase to the inflation-adjusted size standards of the December 2005 interim final rule. This accounts for the inflation that has occurred since then. This rule also adopts the interim final rule's two-step process for determining eligibility for SBA's Business Loan and Economic Injury Disaster Loan (EIDL) Programs. Furthermore, the rule adopts the revised date that SBA uses to determine size status for purposes of EIDL applications for businesses located in declared disaster areas as a result of Hurricanes Katrina, Rita, and Wilma.

**DATES: Effective Date:** This rule is effective on August 18, 2008.

**FOR FURTHER INFORMATION CONTACT:** Carl Jordan, Office of Size Standards, (202) 205-6618 or [sizestandards@sba.gov](mailto:sizestandards@sba.gov).

**SUPPLEMENTARY INFORMATION:**

**Inflation Adjustment**

On December 6, 2005, SBA increased by 8.7% most of its monetary-based small business size standards (e.g., receipts, net income, net worth, and financial assets) for the effects of inflation that had occurred since the time of the previous adjustment in February 2002 (70 FR 72577). Since then, the U.S. economy has experienced additional inflation, due in part to significant increases in the price of crude oil. Because of the rapid rate of increasing inflation and the important policy objective of maintaining the value of size standards in inflation-adjusted terms, SBA is further adjusting the size standards implemented in the 2005 interim final rule. In all, this rule

increases size standards since February 2002 by 18.2 percent, that is, by an additional 8.7 percent over the 8.7 percent increase in the 2005 interim final rule (1.087 × 1.087 = 1.182, or 18.2 percent). This additional increase ensures that size standards are up-to-date for determining small business status and restores the eligibility of businesses that may have lost their small business status due solely to price level increases rather than from increases in business activity.

The December 6, 2005 interim final rule increased SBA's most common size standard for the retail trade and services industries (referred to as the "nonmanufacturer anchor size standard") from \$6.0 million in average annual receipts to \$6.5 million. This rule further increases the nonmanufacturer anchor size standard to \$7.0 million. This rule also increases other monetary-based size standards proportionately. For example, the interim final rule increased the size standard for Computer Systems Design Services (NAICS 541512) from \$21 million to \$23 million. This rule increases that industry's size standard to \$25.0 million.

The revisions adopted by this final rule demonstrate that SBA must stay abreast of changes in the economy to ensure that size standards are established at appropriate levels. To meet that objective, SBA is conducting a comprehensive review of all of its small business size standards over a 2-year period. This review will consist of a series of proposed rules beginning in 2008 examining industries within a specific NAICS Industry Sector. SBA expects that, as a result of this comprehensive review, it will propose in the future additional revisions to certain size standards based on its evaluation of industry data.

**How SBA Adjusts Small Business Size Standards for Inflation**

For purposes of this final rule, SBA uses the same methodology as used in the 2005 interim final rule, but applies the most current inflation statistics available. The methodology is described below:

1. *Select a measure of inflation.* SBA uses the chain-type price index for the Gross Domestic Product (GDP), a broad measure of inflation for the economy as a whole. The U.S. Department of Commerce, Bureau of Economic Analysis (BEA), publishes this index quarterly in its National Income and Product Accounts publications (Table 1.1.4, Line 1).

2. *Select base period.* For this rule, SBA selects the third quarter of 2001 as

the base period—the end period used for the February 2002 adjustment. Since this is a final rule to the interim final rule, it is more accurate to use the same starting period as for the December 2005 adjustment than the end period of the interim final rule in order to make correct rounding adjustments. The chain-type price index for the GDP for the third quarter of 2001 was 102.690.

3. *Select end period.* SBA selects the first quarter of 2008 as the end period for this inflation adjustment because it is the latest available quarterly data that BEA has published. The chain type price index for GDP then stood at 121.363.

4. *Calculate the total rate of inflation.* Based on the price indexes, inflation increased 18.2 percent from the base to the end periods  $((121.363 \div 102.690) - 1.00) \times 100$  percent = 18.2 percent).

5. *Apply the adjustment to the monetary-based size standards.* Multiply the size standards in effect prior to the interim final rule by 1.182, and round to the closest \$0.5 million.

**Special Situations Regarding Inflation Adjustment**

1. *Small Business Investment Company (SBIC) Program:* Certain monetary-based size standards are not changed in this rule. Specifically, the size standards for agricultural industries and for “smaller enterprises” under the SBIC Program are set by statute and, therefore, cannot be changed through rulemaking. As with the 2005 interim final rule, SBA has elected not to change

the SBIC Program’s small business alternate net worth and net income size standards. SBA increased the alternate net worth and net income size standards for the SBIC Program in 1994 threefold. Although inflation has increased since that time, SBA continues to believe that the SBIC size standard levels are sufficient to accomplish its program objectives. SBA received no comments on these size standards. Therefore, SBA is allowing the existing size standards to remain in place for the SBIC Program because no further increase is necessary at this time.

2. *Size Standards Adjusted Between 2002–2005:* As stated in the 2005 interim final rule, the Agency has changed a number of monetary-based size standards since the February 2002 inflation adjustment as a result of an in-depth review of industry characteristics. SBA is applying the full inflation adjustment percent to those monetary-based size standards as well. When SBA establishes or revises a size standard, it does so in relation to other existing size standards to ensure that industries with similar characteristics have similar size standards. To provide a smaller inflation adjustment due to the shorter time period for the calculation, while technically precise, would be inconsistent with the size standards decision-making process, and would in essence nullify part of the industry specific adjustments made between 2002–2005 period.

3. *Size Standards Adjusted After 2005:* Since the time of the interim final

rule SBA revised the size standard for the Security Guards and Patrol Services industry (NAICS 561612) from \$11.5 million in average annual receipts to \$17 million. This revision was based on an in-depth review of the economic characteristics of businesses in that industry (71 FR 37490, June 30, 2006). SBA had proposed \$15.5 million (70 FR 68368, November 10, 2005), but adjusted the proposed size standard in the June 30, 2006, final rule to account for the December 6, 2005, inflation adjustment. As with that final rule, this inflation final rule will adjust the Security Guards and Patrol Services industry size standard to account for the additional inflation. Applying 18.2 percent inflation to the \$15.5 million size standard proposed in 2005 results in a new size standard of \$18.5 million  $(\$15,500,000 \times 1.182 = \$18,321,000$ , rounded to the nearest \$500,000 increment, or \$18,500,000).

4. *Program-Based Size Standards:* Most SBA programs apply size standards established for industries defined by the North American Industry Classification System (NAICS). SBA has also established size standards on a program basis rather than an industry basis. These size standards are adjusted in the same manner as the industry-based size standards (except for the SBIC Program as discussed above). Table 1 lists the program-based size standards and the changes adopted by this rule.

TABLE 1.—PROGRAM SIZE STANDARDS

Program	CFR citation	Size standard in millions of dollars		
		Base period size standard	Measurement	Inflation-adjusted size standard
504 Program .....	13 CFR 121.301(b) .....	\$7.0	Net Worth; Net Income	\$8.5
		2.5		3.0
Surety Bond Guarantee Assistance .....	13 CFR 121.301(d) .....	6.0	Average Annual Receipts.	7.0
Sales of Government Property Other Than Manufacturing (which uses employee-based size standards).	13 CFR 121.502 .....	6.0	Average Annual Receipts.	7.0
Stockpile Purchases .....	13 CFR 121.512 .....	48.5	Average Annual Receipts.	57.5

**Summary of Public Comments on the December 6, 2005 Interim Final Rule**

The December 6, 2005, interim final rule requested comments from the public, and SBA received 11 comments. Two of the commenters discussed issues unrelated to increasing size standards for inflation. The other nine commenters supported the increase.

Three commenters, while they supported the increase, also indicated that the increase was not sufficient for a number of industries. One suggested that SBA use a different inflation index instead of the chain type price index for GDP. The commenter believes that this price index understates inflation. Alternatively, the commenter recommended that SBA increase size

standards based on the degree to which employee compensation has increased. The two other commenters also contended that other factors, such as health benefit costs and costs unique to the waste collection industry, have caused their industries to experience higher rates of inflation than measured by the chain type price index for GDP.

SBA recognizes that inflation may not affect every industry equally at the same time. SBA's small business size standards apply to a wide variety of Federal Government programs and to businesses engaged in multiple industries. Therefore, SBA must use a broad measure of inflation for the entire U.S. economy to determine the most appropriate rate of inflation by which to adjust all of its monetary-based size standards.

Over the past several years, Federal statistical agencies, such as the U.S. Bureau of Labor Statistics, have developed new price indexes that may be more suitable for adjusting size standards for industries with monetary-based size standard. SBA will give consideration to the viability of those alternative inflation indexes in the future.

SBA also believes that industry specific circumstances should be evaluated through an in-depth industry review. As mentioned above, SBA is conducting a comprehensive size standards review over the next 2 years. In doing so, above average inflationary pressures within an industry are likely to be captured. As in previous size standards adjustments, the public will have an opportunity to comment and provide SBA with probative data demonstrating the need for an additional adjustment.

#### **Determining Size Eligibility for SBA Business Loans and Economic Injury Disaster Loans**

SBA is adopting, without change, the revised two-step process for determining small business eligibility under its Business Loan and EIDL Programs established in the interim final rule. This provision determines size eligibility by the following steps:

1. Determine the primary industry and size of the applicant alone (*i.e.*, without affiliates).

a. If the applicant alone does not meet the size standard for its industry, it is ineligible.

b. If the applicant alone meets the size standard for its industry, and if it has affiliates, then this triggers the second step.

2. Determine the primary industry and size of the applicant and all of its affiliates. If the applicant, together with its affiliates, does not exceed either (1) the size standard for the applicant's primary industry or (2) the size standard for the primary industry of the applicant and its affiliates combined, whichever is the higher, the applicant is eligible.

SBA's experience with the two-step process for the financial related programs has demonstrated that it

remedies the problems encountered with the previous regulation of determining small business eligibility by applying only the size standard applicable to the primary industry of the applicant. Furthermore, SBA received no public comments opposing this change or recommending a different approach.

#### **Determining the Size Status of Businesses Affected by the Hurricanes on the Date SBA Accepts EIDL Applications From Those Businesses**

SBA is also adopting as final the revision of the 2005 interim final rule pertaining to the date when size status is determined for purposes of EIDL applications submitted by businesses located in disaster areas declared as a result of Hurricanes Katrina, Rita, and Wilma (2005 Hurricanes). Current regulations at 13 CFR § 123.300(b) require an applicant for an EIDL loan to be small as of the date the disaster commenced, as set forth in the disaster declaration. For purposes of EIDL applications in response to the 2005 Hurricanes, however, SBA had changed the date on which SBA determines size status of those businesses to "the date SBA accepts the application for processing." This amendment has provided access to SBA's EIDL Program for business that would have been otherwise ineligible based on the size standards in effect at the time of 2005 Hurricanes but eligible under the inflation adjusted size standards that took effect within several months after these disasters. SBA received only one comment on this provision, which fully supported this change.

#### **Compliance With Executive Orders 12866, 12988, and 13132, the Regulatory Flexibility Act (5 U.S.C. 601-612) and the Paperwork Reduction Act (44 U.S.C. Ch. 35)**

The Office of Management and Budget (OMB) has determined that this rule is a significant regulatory action under section 3(f) of Executive Order 12866. A general discussion of the need for this regulatory action and its potential costs and benefits follows.

##### *1. Is there a need for the regulatory action?*

SBA's statutory mission is to aid and assist small businesses through a variety of financial, procurement, business development, and advocacy programs. To assist effectively the intended beneficiaries of these programs, SBA must establish distinct definitions of which businesses are deemed small businesses. The Small Business Act (15 U.S.C. 632(a)) (Act) delegates to the SBA

Administrator the responsibility for establishing small business definitions. The Act also requires that small business definitions vary to reflect industry differences. The supplementary information to this final rule explains the approach SBA follows when adjusting size standards for inflation. Based on the rise in the general level of prices, SBA believes that an inflation adjustment to size standards is needed to reflect small businesses in industries with monetary-based size standards.

##### *2. What are the potential benefits and costs of this regulatory action?*

The benefits of increasing size standards to a more appropriate level will accrue to three groups: (1) Businesses that gain or regain small business status from the higher size standards and use small business assistance programs; (2) growing small businesses that may exceed the existing size standards in the near future; and (3) Federal agencies that award contracts under procurement programs that require small business status.

The most significant benefit to businesses obtaining small business status because of this rule is eligibility for Federal small business assistance programs. Approximately 10,400 firms will gain small business status and become eligible for these programs, and for most cases regain their small business status. We note that the interim final rule estimated 11,600 affected businesses. This rule estimates the number of businesses affected by the additional increase to the size standards and essentially comprises a sub-group of the 11,600 businesses since the real value of the size standards has decreased since the time of the interim final rule. That is, many of the businesses gaining small business status as a result of the interim final rule have over time lost small business status because of the additional inflation since December 2005. These businesses account for 0.8 percent of total sales in the adjusted industries. They will benefit from SBA's financial assistance programs, economic injury disaster loans and from Federal procurement programs for small businesses. These include 8(a) firms, small disadvantaged businesses, small businesses located in Historically Underutilized Business Zones (HUBZone), women-owned small businesses, veteran-owned small businesses, and service-disabled veteran-owned small businesses (SBVO SBCs). Also, on Federal contracts awarded through full and open competition, they can benefit after application of the HUBZone or small

disadvantaged business price evaluation preference. These programs assist small businesses to become more knowledgeable, stable and competitive business.

SBA estimates that approximately \$550 million in Federal prime contracts could be awarded to businesses becoming re-designated as small businesses under this rule. In fiscal years 2005–2006 (the latest fiscal year data available), small businesses averaged \$46.8 billion per year out of \$184.9 billion in Federal prime contracts in industries with monetary-based size standards. This estimate assumes that half of the re-defined small businesses participate in Federal contracting and they could obtain the same proportion of their industry share (one-half of 0.8 percent) of the remaining large business Federal contract awards ( $(\$184.9 \text{ billion} - \$46.8 \text{ billion}) \times 0.004 = \$0.552 \text{ billion}$ ).

SBA views the additional amount of projected contract activity as the potential amount of transfer from non-small to re-designated small businesses. This does not represent the creation of new contracting activity by the Federal Government, merely a possible transfer or reallocation to different sized businesses.

Under the SBA's 7(a) Guaranteed Loan Program, SBA estimates that approximately \$73 million in new Federal loan guarantees could be made to these re-defined small businesses. In fiscal year 2007, small businesses in industries with monetary-based size standards received \$12.1 billion in loan guarantees under the 7(a) loan program. Most of the re-defined small businesses have 50 or more employees. SBA guaranteed 937 loans worth \$413 million to small businesses with 50 or more employees. Based on the Census Bureau data, only about 1.6 percent of businesses within the size range of the re-defined small businesses participate in the 7(a) loan program. Assuming this level of participation, 166 additional loans could be guaranteed to the re-defined small businesses ( $10,400 \times 0.016 = 166$ ). The value of these loans is estimated by multiplying the average size loan to small businesses with 50 or more employees, which is \$441,000, by the number of additional loans ( $\$441,000 \times 166 = \$73,206,000$ ).

The re-defined small businesses will also benefit from SBA's EIDL Program. Because this program is contingent on the occurrence and severity of disasters, SBA cannot make a meaningful estimate of benefits to victims of future disasters.

To the extent that up to 10,400 additional firms could become active in

Federal small business programs, this may entail some additional administrative costs to the Federal Government. There will be more businesses eligible to enroll in the Central Contractor Registration (CCR) and to be verified for listing in the CCR's Dynamic Small Business Search database. There likely will be more bidders on Federal procurement opportunities reserved for small businesses. Among businesses in this group seeking SBA assistance, there could be some additional costs associated with compliance and verification of small business status and protests of small business status. These costs are likely to generate minimal incremental administrative costs because processes are in place to handle these administrative requirements.

The costs to the Federal Government may be higher on some Federal contracts. With a greater number of businesses defined as small, Federal agencies may be required or choose to set aside more contracts for competition among small businesses rather than using full and open competition. The movement from unrestricted to set-aside contracting is likely to result in competition among fewer bidders. In addition, higher costs may result if additional full and open contracts are awarded to HUBZone businesses because of a price evaluation preference. However, any additional costs associated with fewer bidders would likely be minor since, as a matter of policy, procurements are required or may be set aside for small businesses or reserved for the 8(a), SDVO, or HUBZone Programs only if awards are expected to be made at fair and reasonable prices.

Moreover, with a small amount of estimated lending to the re-defined small businesses as discussed above, it is unlikely that currently-defined small businesses will be denied SBA financial assistance due to an increased pool of eligible small businesses. These additional loan guarantees estimated at \$73 million will have little impact on the overall availability of loans for SBA's 7(a) Business Loan Program, which amounted to more than \$20 billion in fiscal year 2007.

The revision to the current monetary-based size standard is consistent with SBA's statutory mandate to assist small businesses. This regulatory action promotes the Administration's objectives. One of SBA's goals in support of the Administration's objectives is to help individual small businesses succeed through access to capital and credit, government contracts, and management and

technical assistance. Reviewing and modifying size standards where appropriate, including periodic inflation adjustments, ensures that intended beneficiaries have access to small business programs designed to assist them. Size standards do not interfere with State, local, and tribal governments in the exercise of their government functions. In a few cases, state and local governments have voluntarily adopted SBA's size standards for their programs to eliminate the need to establish an administrative mechanism to develop their own size standards.

#### **Executive Order 12988**

For purposes of Executive Order 12988, SBA has drafted this rule, to the extent practicable, in accordance with the standards set forth in section 3 of that Order.

#### **Executive Order 13132**

This regulation will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibility among the various levels of government. Therefore, under Executive Order 13132, SBA determines that this rule does not have sufficient federalism implications to warrant the preparation of a federalism assessment.

#### **Paperwork Reduction Act**

SBA has determined that this rule does not impose any new information collection requirements from SBA that require approval by OMB under the Paperwork Reduction Act of 1980, 44 U.S.C. Ch. 35.

#### **Final Regulatory Flexibility Analysis**

Under the Regulatory Flexibility Act (RFA), this rule may have a significant impact on a substantial number of small entities. Immediately below, SBA sets forth a final regulatory flexibility analysis (FRFA). The FRFA addresses the reasons for promulgating the rule; the objectives of this rule; SBA's descriptions and estimate of the number of small entities to which the rule will apply; the projected reporting record-keeping and other compliance requirements of the rule; the relevant Federal rules which may duplicate, overlap or conflict with the rule; and alternatives considered by SBA.

##### *1. What is the reason for this action?*

As discussed in the supplemental information, the purpose of this rule is to restore the small business eligibility of businesses that have grown above the size standard due to inflation rather than due to increased business activity.

A review of the latest inflation indexes indicates that inflation has increased a sufficient amount to warrant an increase to the current monetary-based size standards.

*2. What are the objectives and legal basis for the rule?*

The revision to the monetary-based size standards for inflation more appropriately defines the size of businesses. This rule merely restores small business eligibility in real terms. Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) gives SBA the authority to establish and change size standards. Within its administrative discretion, SBA implemented a policy in its regulations to review the effect of inflation on size standards at least once every five years (13 CFR 121.102(c)) and make any changes as appropriate. As discussed in the supplemental information, inflation has increased at a sufficient level since the time of the interim final rule to warrant a further adjustment to size standards at this time rather than to re-assess the impact of inflation on size standards 5 years after the time of the interim final rule.

*3. What are SBA's description and estimate of the number of small entities to which the rule will apply?*

The rule will apply to all businesses seeking benefits or preferences under Federal Government programs. These new size standards allow more businesses to be eligible for these programs. These programs are primarily in Federal Government procurement, such as small business set-asides, 8(a), SDB, HUBZone, and SDVO SBCs. SBA anticipates that about 10,400 additional businesses could be eligible to participate in Federal Government programs. This could increase competition among the current pool of small business concerns. However, it will also allow those businesses, now above the current size standards because of inflation and that can compete only on free and open procurements, to return to competing with other small businesses.

*4. Summary of significant issues raised by the public in response to the Initial Regulatory Flexibility Analysis in the December 6, 2005 Interim Final Rule*

The public raised no significant issues in response to the Initial Regulatory Flexibility Analysis in the December 6, 2005 interim final rule. There were 11 commenters to the interim final rule, two of whom did not comment on the issues raised. The other nine commenters supported the rule. SBA

has summarized the comments above in the supplemental information.

*5. Will this rule impose any additional reporting or recordkeeping requirements on small business entities?*

This rule does not impose any new information collection requirements under the Paperwork Reduction Act of 1980, 44 U.S.C. Ch. 35. A new size standard does not impose any additional reporting, recordkeeping or compliance requirements on small entities. Increasing size standards expands access to SBA programs that assist small businesses, but does not impose a regulatory burden because small business size standards neither regulate nor control business behavior.

Section 212 of Small Business Regulatory Fairness Act (Pub. L. 104–121) requires an agency to publish one or more “small entity compliance guides” to assist small entities in complying with its rules. Although there are no new compliance requirements associated with small business size standards, there may be some small businesses not acquainted with small business size standards and their application to Federal procurement and other Federal Government programs. Therefore, SBA has published both its “Small Business Size Regulations” and its “Guide to Size Standards” to provide this assistance. Both of these are available on SBA’s Web site at <http://www.sba.gov/size> by selecting on the right hand side of the page “Size Regulations” and “Guide to Size Standards.”

*6. What are the relevant Federal rules that may duplicate, overlap or conflict with this rule?*

This rule does not overlap with other Federal rules that use SBA’s size standards to define a small business. Under Section 3(a)(2)(C) of the Small Business Act, 15 U.S.C. 632(a)(2)(c), unless specifically authorized by statute, Federal agencies must use SBA’s size standards to define a small business. In 1995, SBA published in the **Federal Register** a list of statutory and regulatory size standards that identified the application of SBA’s size standards as well as other size standards used by Federal agencies (60 FR 57988–57991, dated November 24, 1995). SBA is not aware of any Federal rule that would duplicate or conflict with establishing size standards.

Other Federal agencies also may use SBA size standards for a variety of regulatory and program purposes. If such a case exists where an SBA size standard is not appropriate, an agency may establish its own size standards

with the approval of the SBA Administrator (see 13 CFR 121.902–903). For purposes of a regulatory flexibility analysis, agencies must consult with SBA’s Office of Advocacy when developing size standards for its programs. (13 CFR 121.903(c)).

*7. What alternatives did SBA consider?*

Because all relevant comments supported increasing size standards for inflation, SBA’s only other consideration was whether to adopt the size standards presented in the interim final rule with no further increase for the inflation. However, SBA believes that the additional 7.7 percent inflation that has occurred since the time of the interim final rule sufficiently effects the real value of the size standards to warrant applying an additional increase at this time. Otherwise, the benefits achieved by the December 6, 2005 adjustment would essentially be lost and not restored in a timely manner.

**List of Subjects**

*13 CFR Part 121*

Administrative practice and procedure, Government procurement, Government property, Grant programs—business, Individuals with disabilities, Loan programs—business, Reporting and recordkeeping requirements, Small businesses.

*13 CFR Part 123*

Disaster assistance, Loan programs—business, Reporting and recordkeeping requirements, Small Businesses, Terrorism.

■ For the reasons set forth in the preamble, SBA amends 13 CFR Parts 121 and 123 as follows:

**PART 121—SMALL BUSINESS SIZE REGULATIONS**

■ 1. The authority citation for part 121 continues to read as follows:

**Authority:** 15 U.S.C. 632, 634(b)(6), 636(b), 637(a), 644, 657(a), 657(f), and 662(5); and Pub. L. 105–135, Sec. 401, *et seq.*, 111 Stat. 2592.

■ 2. Amend the table in § 121.201 as follows:

- A. Revise entries 112310, 113110, and 113210;
- B. Revise Subsector 115;
- C. Revise entries 213112 through 213115;
- D. Revise entries 221310, 221320, and 221330;
- E. Revise Sector 23;
- F. Revise Sector 44–45;
- G. Revise entries 481211, 481212, and 481219;
- H. Revise Subsectors 484 and 485;

- I. Revise entries 486210 and 486990;
- J. Revise Subsectors 487, 488, and 491;
- K. Revise entry 492210;
- L. Revise Subsector 493;
- M. Revise entries 511210 through 512290;
- N. Revise Subsector 515;
- O. Revise entries 517410 and 517919;
- P. Revise Subsector 518;

- Q. Revise entries 519110, 519120, and 519190;
- R. Revise Subsector 522 and 523;
- S. Revise entries 524113 through 524114, and 524127 through 524298;
- T. Revise Subsectors 525, 531, 532 and 533;
- U. Revise entries 541110 through 541690;

- V. Revise entries 541720 through 541990;
- W. Revise Sectors 55, 56, 61, 62, 71, 72, and 81; and,
- X. Revise footnotes 9 and 15.

**§ 121.201 What size standards has SBA identified by North American Industry Classification System codes?**

**SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY**

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
<b>Sector 11—Agriculture, Forestry, Fishing and Hunting</b>			
<b>Subsector 112—Animal Production</b>			
112310	Chicken Egg Production	\$12.5	
<b>Subsector 113—Forestry and Logging</b>			
113110	Timber Tract Operations	\$7.0	
113210	Forest Nurseries and Gathering of Forest Products	\$7.0	
<b>Subsector 114—Fishing, Hunting and Trapping</b>			
114111	Finfish Fishing	\$4.0	
114112	Shellfish Fishing	\$4.0	
114119	Other Marine Fishing	\$4.0	
114210	Hunting and Trapping	\$4.0	
<b>Subsector 115—Support Activities for Agriculture and Forestry</b>			
115111	Cotton Ginning	\$7.0	
115112	Soil Preparation, Planting, and Cultivating	\$7.0	
115113	Crop Harvesting, Primarily by Machine	\$7.0	
115114	Postharvest Crop Activities (except Cotton Ginning)	\$7.0	
115115	Farm Labor Contractors and Crew Leaders	\$7.0	
115116	Farm Management Services	\$7.0	
115210	Support Activities for Animal Production	\$7.0	
115310	Support Activities for Forestry	\$7.0	
Except,	Forest Fire Suppression <sup>17</sup>	<sup>17</sup> \$17.5	
Except,	Fuels Management Services <sup>17</sup>	<sup>17</sup> \$17.5	
<b>Sector 21—Mining, Quarrying, and Oil and Gas Extraction</b>			
<b>Subsector 213—Support Activities for Mining</b>			
213112	Support Activities for Oil and Gas Operations	\$7.0	
213113	Support Activities for Coal Mining	\$7.0	
213114	Support Activities for Metal Mining	\$7.0	
213115	Support Activities for Nonmetallic Minerals (except Fuels)	\$7.0	
<b>Sector 22—Utilities</b>			
<b>Subsector 221—Utilities</b>			

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
221310 .....	Water Supply and Irrigation Systems .....	\$7.0	.....
221320 .....	Sewage Treatment Facilities .....	\$7.0	.....
221330 .....	Steam and Air-Conditioning Supply .....	\$12.5	.....
<b>Sector 23—Construction</b>			
<b>Subsector 236—Construction of Buildings</b>			
236115 .....	New Single-Family Housing Construction (except Operative Builders) .....	\$33.5	.....
236116 .....	New Multifamily Housing Construction (except Operative Builders) .....	\$33.5	.....
236117 .....	New Housing Operative Builders .....	\$33.5	.....
236118 .....	Residential Remodelers .....	\$33.5	.....
236210 .....	Industrial Building Construction .....	\$33.5	.....
236220 .....	Commercial and Institutional Building Construction .....	\$33.5	.....
<b>Subsector 237—Heavy and Civil Engineering Construction</b>			
237110 .....	Water and Sewer Line and Related Structures Construction .....	\$33.5	.....
237120 .....	Oil and Gas Pipeline and Related Structures Construction .....	\$33.5	.....
237130 .....	Power and Communication Line and Related Structures Construction .....	\$33.5	.....
237210 .....	Land Subdivision .....	\$7.0	.....
237310 .....	Highway, Street, and Bridge Construction .....	\$33.5	.....
237990 .....	Other Heavy and Civil Engineering Construction .....	\$33.5	.....
Except, .....	Dredging and Surface Cleanup Activities <sup>2</sup> .....	<sup>2</sup> \$20.0	.....
<b>Subsector 238—Specialty Trade Contractors</b>			
238110 .....	Poured Concrete Foundation and Structure Contractors .....	\$14.0	.....
238120 .....	Structural Steel and Precast Concrete Contractors .....	\$14.0	.....
238130 .....	Framing Contractors .....	\$14.0	.....
238140 .....	Masonry Contractors .....	\$14.0	.....
238150 .....	Glass and Glazing Contractors .....	\$14.0	.....
238160 .....	Roofing Contractors .....	\$14.0	.....
238170 .....	Siding Contractors .....	\$14.0	.....
238190 .....	Other Foundation, Structure, and Building Exterior Contractors .....	\$14.0	.....
238210 .....	Electrical Contractors and Other Wiring Installation Contractors .....	\$14.0	.....
238220 .....	Plumbing, Heating, and Air-Conditioning Contractors .....	\$14.0	.....
238290 .....	Other Building Equipment Contractors .....	\$14.0	.....
238310 .....	Drywall and Insulation Contractors .....	\$14.0	.....
238320 .....	Painting and Wall Covering Contractors .....	\$14.0	.....
238330 .....	Flooring Contractors .....	\$14.0	.....
238340 .....	Tile and Terrazzo Contractors .....	\$14.0	.....
238350 .....	Finish Carpentry Contractors .....	\$14.0	.....
238390 .....	Other Building Finishing Contractors .....	\$14.0	.....
238910 .....	Site Preparation Contractors .....	\$14.0	.....
238990 .....	All Other Specialty Trade Contractors .....	\$14.0	.....
Except, .....	Building and Property Specialty Trade Services <sup>13</sup> .....	<sup>13</sup> \$14.0	.....
<b>Sector 44—Retail Trade</b>			
<b>Subsector 441—Motor Vehicle and Parts Dealers</b>			
(Not applicable to Government procurement of supplies. The nonmanufacturer size standard of 500 employees shall be used for purposes of Government procurement of supplies.)			
<b>Subsector 441—Motor Vehicle and Parts Dealers</b>			
441110 .....	New Car Dealers .....	\$29.0	.....
441120 .....	Used Car Dealers .....	\$23.0	.....
441210 .....	Recreational Vehicle Dealers .....	\$7.0	.....
441221 .....	Motorcycle, ATV, and Personal Watercraft Dealers .....	\$7.0	.....
441222 .....	Boat Dealers .....	\$7.0	.....
441229 .....	All Other Motor Vehicle Dealers .....	\$7.0	.....
Except, .....	Aircraft Dealers, Retail .....	\$10.0	.....
441310 .....	Automotive Parts and Accessories Stores .....	\$7.0	.....
441320 .....	Tire Dealers .....	\$7.0	.....
<b>Subsector 442—Furniture and Home Furnishings Stores</b>			
442110 .....	Furniture Stores .....	\$7.0	.....

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
442210 .....	Floor Covering Stores .....	\$7.0	.....
442291 .....	Window Treatment Stores .....	\$7.0	.....
442299 .....	All Other Home Furnishings Stores .....	\$7.0	.....
<b>Subsector 443—Electronics and Appliance Stores</b>			
443111 .....	Household Appliance Stores .....	\$9.0	.....
443112 .....	Radio, Television and Other Electronics Stores .....	\$9.0	.....
443120 .....	Computer and Software Stores .....	\$9.0	.....
443130 .....	Camera and Photographic Supplies Stores .....	\$7.0	.....
<b>Subsector 444—Building Material and Garden Equipment and Supplies Dealers</b>			
444110 .....	Home Centers .....	\$7.0	.....
444120 .....	Paint and Wallpaper Stores .....	\$7.0	.....
444130 .....	Hardware Stores .....	\$7.0	.....
444190 .....	Other Building Material Dealers .....	\$7.0	.....
444210 .....	Outdoor Power Equipment Stores .....	\$7.0	.....
444220 .....	Nursery and Garden Centers .....	\$7.0	.....
<b>Subsector 445—Food and Beverage Stores</b>			
445110 .....	Supermarkets and Other Grocery (except Convenience) Stores .....	\$27.0	.....
445120 .....	Convenience Stores .....	\$27.0	.....
445210 .....	Meat Markets .....	\$7.0	.....
445220 .....	Fish and Seafood Markets .....	\$7.0	.....
445230 .....	Fruit and Vegetable Markets .....	\$7.0	.....
445291 .....	Baked Goods Stores .....	\$7.0	.....
445292 .....	Confectionery and Nut Stores .....	\$7.0	.....
445299 .....	All Other Specialty Food Stores .....	\$7.0	.....
445310 .....	Beer, Wine and Liquor Stores .....	\$7.0	.....
<b>Subsector 446—Health and Personal Care Stores</b>			
446110 .....	Pharmacies and Drug Stores .....	\$7.0	.....
446120 .....	Cosmetics, Beauty Supplies and Perfume Stores .....	\$7.0	.....
446130 .....	Optical Goods Stores .....	\$7.0	.....
446191 .....	Food (Health) Supplement Stores .....	\$7.0	.....
446199 .....	All Other Health and Personal Care Stores .....	\$7.0	.....
<b>Subsector 447—Gasoline Stations</b>			
447110 .....	Gasoline Stations with Convenience Stores .....	\$27.0	.....
447190 .....	Other Gasoline Stations .....	\$9.0	.....
<b>Subsector 448—Clothing and Clothing Accessories Stores</b>			
448110 .....	Men's Clothing Stores .....	\$9.0	.....
448120 .....	Women's Clothing Stores .....	\$9.0	.....
448130 .....	Children's and Infants' Clothing Stores .....	\$7.0	.....
448140 .....	Family Clothing Stores .....	\$9.0	.....
448150 .....	Clothing Accessories Stores .....	\$7.0	.....
448190 .....	Other Clothing Stores .....	\$7.0	.....
448210 .....	Shoe Stores .....	\$9.0	.....
448310 .....	Jewelry Stores .....	\$7.0	.....
448320 .....	Luggage and Leather Goods Stores .....	\$7.0	.....
<b>Subsector 451—Sporting Good, Hobby, Book and Music Stores</b>			
451110 .....	Sporting Goods Stores .....	\$7.0	.....
451120 .....	Hobby, Toy and Game Stores .....	\$7.0	.....
451130 .....	Sewing, Needlework and Piece Goods Stores .....	\$7.0	.....
451140 .....	Musical Instrument and Supplies Stores .....	\$7.0	.....
451211 .....	Book Stores .....	\$7.0	.....
451212 .....	News Dealers and Newsstands .....	\$7.0	.....
451220 .....	Prerecorded Tape, Compact Disc and Record Stores .....	\$7.0	.....
<b>Subsector 452—General Merchandise Stores</b>			
452111 .....	Department Stores (except Discount Department Stores) .....	\$27.0	.....
452112 .....	Discount Department Stores .....	\$27.0	.....



## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
452910 .....	Warehouse Clubs and Superstores .....	\$27.0	.....
452990 .....	All Other General Merchandise Stores .....	\$11.0	.....
<b>Subsector 453—Miscellaneous Store Retailers</b>			
453110 .....	Florists .....	\$7.0	.....
453210 .....	Office Supplies and Stationery Stores .....	\$7.0	.....
453220 .....	Gift, Novelty and Souvenir Stores .....	\$7.0	.....
453310 .....	Used Merchandise Stores .....	\$7.0	.....
453910 .....	Pet and Pet Supplies Stores .....	\$7.0	.....
453920 .....	Art Dealers .....	\$7.0	.....
453930 .....	Manufactured (Mobile) Home Dealers .....	\$13.0	.....
453991 .....	Tobacco Stores .....	\$7.0	.....
453998 .....	All Other Miscellaneous Store Retailers (except Tobacco Stores) .....	\$7.0	.....
<b>Subsector 454—Nonstore Retailers</b>			
454111 .....	Electronic Shopping .....	\$25.0	.....
454112 .....	Electronic Auctions .....	\$25.0	.....
454113 .....	Mail-Order Houses .....	\$25.0	.....
454210 .....	Vending Machine Operators .....	\$7.0	.....
454311 .....	Heating Oil Dealers .....	\$12.5	.....
454312 .....	Liquefied Petroleum Gas (Bottled Gas) Dealers .....	\$7.0	.....
454319 .....	Other Fuel Dealers .....	\$7.0	.....
454390 .....	Other Direct Selling Establishments .....	\$7.0	.....
<b>Sector 48–49—Transportation and Warehousing</b>			
<b>Subsector 481—Air Transportation</b>			
* .....	* .....	* .....	* .....
481211 .....	Nonscheduled Chartered Passenger Air Transportation .....	.....	1,500
Except, .....	Offshore Marine Air Transportation Services .....	\$28.0	.....
481212 .....	Nonscheduled Chartered Freight Air Transportation .....	.....	1,500
Except, .....	Offshore Marine Air Transportation Services .....	\$28.0	.....
481219 .....	Other Nonscheduled Air Transportation .....	\$7.0	.....
* .....	* .....	* .....	* .....
<b>Subsector 484—Truck Transportation</b>			
484110 .....	General Freight Trucking, Local .....	\$25.5	.....
484121 .....	General Freight Trucking, Long-Distance, Truckload .....	\$25.5	.....
484122 .....	General Freight Trucking, Long-Distance, Less Than Truckload .....	\$25.5	.....
484210 .....	Used Household and Office Goods Moving .....	\$25.5	.....
484220 .....	Specialized Freight (except Used Goods) Trucking, Local .....	\$25.5	.....
484230 .....	Specialized Freight (except Used Goods) Trucking, Long-Distance .....	\$25.5	.....
<b>Subsector 485—Transit and Ground Passenger Transportation</b>			
485111 .....	Mixed Mode Transit Systems .....	\$7.0	.....
485112 .....	Commuter Rail Systems .....	\$7.0	.....
485113 .....	Bus and Motor Vehicle Transit Systems .....	\$7.0	.....
485119 .....	Other Urban Transit Systems .....	\$7.0	.....
485210 .....	Interurban and Rural Bus Transportation .....	\$7.0	.....
485310 .....	Taxi Service .....	\$7.0	.....
485320 .....	Limousine Service .....	\$7.0	.....
485410 .....	School and Employee Bus Transportation .....	\$7.0	.....
485510 .....	Charter Bus Industry .....	\$7.0	.....
485991 .....	Special Needs Transportation .....	\$7.0	.....
485999 .....	All Other Transit and Ground Passenger Transportation .....	\$7.0	.....
<b>Subsector 486—Pipeline Transportation</b>			
* .....	* .....	* .....	* .....
486210 .....	Pipeline Transportation of Natural Gas .....	\$7.0	.....

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
486990	All Other Pipeline Transportation	\$34.5	
<b>Subsector 487—Scenic and Sightseeing Transportation</b>			
487110	Scenic and Sightseeing Transportation, Land	\$7.0	
487210	Scenic and Sightseeing Transportation, Water	\$7.0	
487990	Scenic and Sightseeing Transportation, Other	\$7.0	
<b>Subsector 488—Support Activities for Transportation</b>			
488111	Air Traffic Control	\$7.0	
488119	Other Airport Operations	\$7.0	
488190	Other Support Activities for Air Transportation	\$7.0	
488210	Support Activities for Rail Transportation	\$7.0	
488310	Port and Harbor Operations	\$25.5	
488320	Marine Cargo Handling	\$25.5	
488330	Navigational Services to Shipping	\$7.0	
488390	Other Support Activities for Water Transportation	\$7.0	
488410	Motor Vehicle Towing	\$7.0	
488490	Other Support Activities for Road Transportation	\$7.0	
488510	Freight Transportation Arrangement <sup>10</sup>	<sup>10</sup> \$7.0	
Except,	Non-Vessel Owning Common Carriers and Household Goods Forwarders	\$25.5	
488991	Packing and Crating	\$25.5	
488999	All Other Support Activities for Transportation	\$7.0	
<b>Subsector 491—Postal Service</b>			
491110	Postal Service	\$7.0	
<b>Subsector 492—Couriers and Messengers</b>			
492210	Local Messengers and Local Delivery	\$25.5	
<b>Subsector 493—Warehousing and Storage</b>			
493110	General Warehousing and Storage	\$25.5	
493120	Refrigerated Warehousing and Storage	\$25.5	
493130	Farm Product Warehousing and Storage	\$25.5	
493190	Other Warehousing and Storage	\$25.5	
<b>Sector 51—Information</b>			
<b>Subsector 511—Publishing Industries (except Internet)</b>			
511210	Software Publishers	\$25.0	
<b>Subsector 512—Motion Picture and Sound Recording Industries</b>			
512110	Motion Picture and Video Production	\$29.5	
512120	Motion Picture and Video Distribution	\$29.5	
512131	Motion Picture Theaters (except Drive-Ins)	\$7.0	
512132	Drive-In Motion Picture Theaters	\$7.0	
512191	Teleproduction and Other Postproduction Services	\$29.5	
512199	Other Motion Picture and Video Industries	\$7.0	
512210	Record Production	\$7.0	
512240	Sound Recording Studios	\$7.0	
512290	Other Sound Recording Industries	\$7.0	
<b>Subsector 515—Broadcasting (except Internet)</b>			
515111	Radio Networks	\$7.0	
515112	Radio Stations	\$7.0	
515120	Television Broadcasting	\$14.0	
515210	Cable and Other Subscription Programming	\$15.0	

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
<b>Subsector 517—Telecommunications</b>			
* 517410	* Satellite Telecommunications	\$15.0	*
* 517919	* All Other Telecommunications	\$25.0	*
<b>Subsector 518—Data Processing, Hosting, and Related Services</b>			
518210	Data Processing, Hosting, and Related Services	\$25.0	
<b>Subsector 519—Other Information Services</b>			
519110	News Syndicates	\$7.0	
519120	Libraries and Archives	\$7.0	
* 519190	* All Other Information Services	\$7.0	*
<b>Sector 52—Finance and Insurance</b>			
<b>Subsector 522—Credit Intermediation and Related Activities</b>			
522110	Commercial Banking <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522120	Savings Institutions <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522130	Credit Unions <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522190	Other Depository Credit Intermediation <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522210	Credit Card Issuing <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522220	Sales Financing	\$7.0	
522291	Consumer Lending	\$7.0	
522292	Real Estate Credit	\$7.0	
522293	International Trade Financing <sup>8</sup>	<sup>8</sup> \$175 million in assets	
522294	Secondary Market Financing	\$7.0	
522298	All Other Non-Depository Credit Intermediation	\$7.0	
522310	Mortgage and Nonmortgage Loan Brokers	\$7.0	
522320	Financial Transactions Processing, Reserve, and Clearing House Activities	\$7.0	
522390	Other Activities Related to Credit Intermediation	\$7.0	
<b>Subsector 523—Securities, Commodity Contracts, and Other Financial Investments and Related Activities</b>			
523110	Investment Banking and Securities Dealing	\$7.0	
523120	Securities Brokerage	\$7.0	
523130	Commodity Contracts Dealing	\$7.0	
523140	Commodity Contracts Brokerage	\$7.0	
523210	Securities and Commodity Exchanges	\$7.0	
523910	Miscellaneous Intermediation	\$7.0	
523920	Portfolio Management	\$7.0	
523930	Investment Advice	\$7.0	
523991	Trust, Fiduciary and Custody Activities	\$7.0	
523999	Miscellaneous Financial Investment Activities	\$7.0	
<b>Subsector 524—Insurance Carriers and Related Activities</b>			
524113	Direct Life Insurance Carriers	\$7.0	
524114	Direct Health and Medical Insurance Carriers	\$7.0	
* 524127	* Direct Title Insurance Carriers	\$7.0	*
524128	Other Direct Insurance (except Life, Health and Medical) Carriers	\$7.0	
524130	Reinsurance Carriers	\$7.0	
524210	Insurance Agencies and Brokerages	\$7.0	
524291	Claims Adjusting	\$7.0	
524292	Third Party Administration of Insurance and Pension Funds	\$7.0	

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
524298	All Other Insurance Related Activities	\$7.0	
<b>Subsector 525—Funds, Trusts and Other Financial Vehicles</b>			
525110	Pension Funds	\$7.0	
525120	Health and Welfare Funds	\$7.0	
525190	Other Insurance Funds	\$7.0	
525910	Open-End Investment Funds	\$7.0	
525920	Trusts, Estates, and Agency Accounts	\$7.0	
525930	Real Estate Investment Trusts	\$7.0	
525990	Other Financial Vehicles	\$7.0	
<b>Sector 53—Real Estate and Rental and Leasing</b>			
<b>Subsector 531—Real Estate</b>			
531110	Lessors of Residential Buildings and Dwellings	\$7.0	
531120	Lessors of Nonresidential Buildings (except Miniwarehouses)	\$7.0	
531130	Lessors of Miniwarehouses and Self Storage Units	\$25.5	
531190	Lessors of Other Real Estate Property	\$7.0	
Except,	Leasing of Building Space to Federal Government by Owners <sup>9</sup>	<sup>9</sup> \$20.5	
531210	Offices of Real Estate Agents and Brokers <sup>10</sup>	<sup>10</sup> \$2.0	
531311	Residential Property Managers	\$2.0	
531312	Nonresidential Property Managers	\$2.0	
531320	Offices of Real Estate Appraisers	\$2.0	
531390	Other Activities Related to Real Estate	\$2.0	
<b>Subsector 532—Rental and Leasing Services</b>			
532111	Passenger Car Rental	\$25.5	
532112	Passenger Car Leasing	\$25.5	
532120	Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	\$25.5	
532210	Consumer Electronics and Appliances Rental	\$7.0	
532220	Formal Wear and Costume Rental	\$7.0	
532230	Video Tape and Disc Rental	\$7.0	
532291	Home Health Equipment Rental	\$7.0	
532292	Recreational Goods Rental	\$7.0	
532299	All Other Consumer Goods Rental	\$7.0	
532310	General Rental Centers	\$7.0	
532411	Commercial Air, Rail, and Water Transportation Equipment Rental and Leasing	\$7.0	
532412	Construction, Mining and Forestry Machinery and Equipment Rental and Leasing	\$7.0	
532420	Office Machinery and Equipment Rental and Leasing	\$25.0	
532490	Other Commercial and Industrial Machinery and Equipment Rental and Leasing	\$7.0	
<b>Subsector 533—Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)</b>			
533110	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	\$7.0	
<b>Sector 54—Professional, Scientific and Technical Services</b>			
<b>Subsector 541—Professional, Scientific and Technical Services</b>			
541110	Offices of Lawyers	\$7.0	
541191	Title Abstract and Settlement Offices	\$7.0	
541199	All Other Legal Services	\$7.0	
541211	Offices of Certified Public Accountants	\$8.5	
541213	Tax Preparation Services	\$7.0	
541214	Payroll Services	\$8.5	
541219	Other Accounting Services	\$8.5	
541310	Architectural Services	\$4.5	
541320	Landscape Architectural Services	\$7.0	
541330	Engineering Services	\$4.5	
Except,	Military and Aerospace Equipment and Military Weapons	\$27.0	
Except,	Contracts and Subcontracts for Engineering Services Awarded Under the National Energy Policy Act of 1992.	\$27.0	
Except,	Marine Engineering and Naval Architecture	\$18.5	
541340	Drafting Services	\$7.0	
Except,	Map Drafting	\$4.5	
541350	Building Inspection Services	\$7.0	
541360	Geophysical Surveying and Mapping Services	\$4.5	
541370	Surveying and Mapping (except Geophysical) Services	\$4.5	

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
541380	Testing Laboratories	\$12.0	
541410	Interior Design Services	\$7.0	
541420	Industrial Design Services	\$7.0	
541430	Graphic Design Services	\$7.0	
541490	Other Specialized Design Services	\$7.0	
541511	Custom Computer Programming Services	\$25.0	
541512	Computer Systems Design Services	\$25.0	
541513	Computer Facilities Management Services	\$25.0	
541519	Other Computer Related Services	\$25.0	
Except,	Information Technology Value Added Resellers <sup>18</sup>		<sup>18</sup> 150
541611	Administrative Management and General Management Consulting Services	\$7.0	
541612	Human Resources Consulting Services	\$7.0	
541613	Marketing Consulting Services	\$7.0	
541614	Process, Physical Distribution and Logistics Consulting Services	\$7.0	
541618	Other Management Consulting Services	\$7.0	
541620	Environmental Consulting Services	\$7.0	
541690	Other Scientific and Technical Consulting Services	\$7.0	
	* * * * *		
541720	Research and Development in the Social Sciences and Humanities	\$7.0	
541810	Advertising Agencies <sup>10</sup>	<sup>10</sup> \$7.0	
541820	Public Relations Agencies	\$7.0	
541830	Media Buying Agencies	\$7.0	
541840	Media Representatives	\$7.0	
541850	Display Advertising	\$7.0	
541860	Direct Mail Advertising	\$7.0	
541870	Advertising Material Distribution Services	\$7.0	
541890	Other Services Related to Advertising	\$7.0	
541910	Marketing Research and Public Opinion Polling	\$7.0	
541921	Photography Studios, Portrait	\$7.0	
541922	Commercial Photography	\$7.0	
541930	Translation and Interpretation Services	\$7.0	
541940	Veterinary Services	\$7.0	
541990	All Other Professional, Scientific and Technical Services	\$7.0	
<b>Sector 55—Management of Companies and Enterprises</b>			
<b>Subsector 551—Management of Companies and Enterprises</b>			
551111	Offices of Bank Holding Companies	\$7.0	
551112	Offices of Other Holding Companies	\$7.0	
<b>Sector 56—Administrative and Support, Waste Management and Remediation Services</b>			
<b>Subsector 561—Administrative and Support Services</b>			
561110	Office Administrative Services	\$7.0	
561210	Facilities Support Services <sup>12</sup>	<sup>12</sup> \$35.5	
561311	Employment Placement Agencies	\$7.0	
561312	Executive Search Services	\$7.0	
561320	Temporary Help Services	\$13.5	
561330	Professional Employer Organizations	\$13.5	
561410	Document Preparation Services	\$7.0	
561421	Telephone Answering Services	\$7.0	
561422	Telemarketing Bureaus and Other Contact Centers	\$7.0	
561431	Private Mail Centers	\$7.0	
561439	Other Business Service Centers (including Copy Shops)	\$7.0	
561440	Collection Agencies	\$7.0	
561450	Credit Bureaus	\$7.0	
561491	Repossession Services	\$7.0	
561492	Court Reporting and Stenotype Services	\$7.0	
561499	All Other Business Support Services	\$7.0	
561510	Travel Agencies <sup>10</sup>	<sup>10</sup> \$3.5	
561520	Tour Operators <sup>10</sup>	<sup>10</sup> \$7.0	
561591	Convention and Visitors Bureaus	\$7.0	
561599	All Other Travel Arrangement and Reservation Services	\$7.0	
561611	Investigation Services	\$12.5	
561612	Security Guards and Patrol Services	\$18.5	
561613	Armored Car Services	\$12.5	
561621	Security Systems Services (except Locksmiths)	\$12.5	
561622	Locksmiths	\$7.0	

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
561710	Exterminating and Pest Control Services	\$7.0	
561720	Janitorial Services	\$16.5	
561730	Landscaping Services	\$7.0	
561740	Carpet and Upholstery Cleaning Services	\$4.5	
561790	Other Services to Buildings and Dwellings	\$7.0	
561910	Packaging and Labeling Services	\$7.0	
561920	Convention and Trade Show Organizers <sup>10</sup>	<sup>10</sup> \$7.0	
561990	All Other Support Services	\$7.0	
<b>Subsector 562—Waste Management and Remediation Services</b>			
562111	Solid Waste Collection	\$12.5	
562112	Hazardous Waste Collection	\$12.5	
562119	Other Waste Collection	\$12.5	
562211	Hazardous Waste Treatment and Disposal	\$12.5	
562212	Solid Waste Landfill	\$12.5	
562213	Solid Waste Combustors and Incinerators	\$12.5	
562219	Other Nonhazardous Waste Treatment and Disposal	\$12.5	
562910	Remediation Services	\$14.0	
Except,	Environmental Remediation Services <sup>14</sup>		<sup>14</sup> 500
562920	Materials Recovery Facilities	\$12.5	
562991	Septic Tank and Related Services	\$7.0	
562998	All Other Miscellaneous Waste Management Services	\$7.0	
<b>Sector 61—Educational Services</b>			
<b>Subsector 611—Educational Services</b>			
611110	Elementary and Secondary Schools	\$7.0	
611210	Junior Colleges	\$7.0	
611310	Colleges, Universities and Professional Schools	\$7.0	
611410	Business and Secretarial Schools	\$7.0	
611420	Computer Training	\$7.0	
611430	Professional and Management Development Training	\$7.0	
611511	Cosmetology and Barber Schools	\$7.0	
611512	Flight Training	\$25.5	
611513	Apprenticeship Training	\$7.0	
611519	Other Technical and Trade Schools	\$7.0	
Except,	Job Corps Centers <sup>16</sup>	<sup>16</sup> \$35.5	
611610	Fine Arts Schools	\$7.0	
611620	Sports and Recreation Instruction	\$7.0	
611630	Language Schools	\$7.0	
611691	Exam Preparation and Tutoring	\$7.0	
611692	Automobile Driving Schools	\$7.0	
611699	All Other Miscellaneous Schools and Instruction	\$7.0	
611710	Educational Support Services	\$7.0	
<b>Sector 62—Health Care and Social Assistance</b>			
<b>Subsector 621—Ambulatory Health Care Services</b>			
621111	Offices of Physicians (except Mental Health Specialists)	\$10.0	
621112	Offices of Physicians, Mental Health Specialists	\$10.0	
621210	Offices of Dentists	\$7.0	
621310	Offices of Chiropractors	\$7.0	
621320	Offices of Optometrists	\$7.0	
621330	Offices of Mental Health Practitioners (except Physicians)	\$7.0	
621340	Offices of Physical, Occupational and Speech Therapists and Audiologists	\$7.0	
621391	Offices of Podiatrists	\$7.0	
621399	Offices of All Other Miscellaneous Health Practitioners	\$7.0	
621410	Family Planning Centers	\$10.0	
621420	Outpatient Mental Health and Substance Abuse Centers	\$10.0	
621491	HMO Medical Centers	\$10.0	
621492	Kidney Dialysis Centers	\$34.5	
621493	Freestanding Ambulatory Surgical and Emergency Centers	\$10.0	
621498	All Other Outpatient Care Centers	\$10.0	
621511	Medical Laboratories	\$13.5	
621512	Diagnostic Imaging Centers	\$13.5	
621610	Home Health Care Services	\$13.5	
621910	Ambulance Services	\$7.0	
621991	Blood and Organ Banks	\$10.0	

## SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
621999	All Other Miscellaneous Ambulatory Health Care Services	\$10.0	
<b>Subsector 622—Hospitals</b>			
622110	General Medical and Surgical Hospitals	\$34.5	
622210	Psychiatric and Substance Abuse Hospitals	\$34.5	
622310	Specialty (except Psychiatric and Substance Abuse) Hospitals	\$34.5	
<b>Subsector 623—Nursing and Residential Care Facilities</b>			
623110	Nursing Care Facilities	\$13.5	
623210	Residential Mental Retardation Facilities	\$10.0	
623220	Residential Mental Health and Substance Abuse Facilities	\$7.0	
623311	Continuing Care Retirement Communities	\$13.5	
623312	Homes for the Elderly	\$7.0	
623990	Other Residential Care Facilities	\$7.0	
<b>Subsector 624—Social Assistance</b>			
624110	Child and Youth Services	\$7.0	
624120	Services for the Elderly and Persons with Disabilities	\$7.0	
624190	Other Individual and Family Services	\$7.0	
624210	Community Food Services	\$7.0	
624221	Temporary Shelters	\$7.0	
624229	Other Community Housing Services	\$7.0	
624230	Emergency and Other Relief Services	\$7.0	
624310	Vocational Rehabilitation Services	\$7.0	
624410	Child Day Care Services	\$7.0	
<b>Sector 71—Arts, Entertainment and Recreation</b>			
<b>Subsector 711—Performing Arts, Spectator Sports and Related Industries</b>			
711110	Theater Companies and Dinner Theaters	\$7.0	
711120	Dance Companies	\$7.0	
711130	Musical Groups and Artists	\$7.0	
711190	Other Performing Arts Companies	\$7.0	
711211	Sports Teams and Clubs	\$7.0	
711212	Race Tracks	\$7.0	
711219	Other Spectator Sports	\$7.0	
711310	Promoters of Performing Arts, Sports and Similar Events with Facilities	\$7.0	
711320	Promoters of Performing Arts, Sports and Similar Events without Facilities	\$7.0	
711410	Agents and Managers for Artists, Athletes, Entertainers and Other Public Figures	\$7.0	
711510	Independent Artists, Writers, and Performers	\$7.0	
<b>Subsector 712—Museums, Historical Sites and Similar Institutions</b>			
712110	Museums	\$7.0	
712120	Historical Sites	\$7.0	
712130	Zoos and Botanical Gardens	\$7.0	
712190	Nature Parks and Other Similar Institutions	\$7.0	
<b>Subsector 713—Amusement, Gambling and Recreation Industries</b>			
713110	Amusement and Theme Parks	\$7.0	
713120	Amusement Arcades	\$7.0	
713210	Casinos (except Casino Hotels)	\$7.0	
713290	Other Gambling Industries	\$7.0	
713910	Golf Courses and Country Clubs	\$7.0	
713920	Skiing Facilities	\$7.0	
713930	Marinas	\$7.0	
713940	Fitness and Recreational Sports Centers	\$7.0	
713950	Bowling Centers	\$7.0	
713990	All Other Amusement and Recreation Industries	\$7.0	
<b>Sector 72—Accommodation and Food Services</b>			
<b>Subsector 721—Accommodation</b>			
721110	Hotels (except Casino Hotels) and Motels	\$7.0	
721120	Casino Hotels	\$7.0	

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
721191	Bed and Breakfast Inns	\$7.0	
721199	All Other Traveler Accommodation	\$7.0	
721211	RV (Recreational Vehicle) Parks and Campgrounds	\$7.0	
721214	Recreational and Vacation Camps (except Campgrounds)	\$7.0	
721310	Rooming and Boarding Houses	\$7.0	
<b>Subsector 722—Food Services and Drinking Places</b>			
722110	Full-Service Restaurants	\$7.0	
722211	Limited-Service Restaurants	\$7.0	
722212	Cafeterias, Grill Buffets, and Buffets	\$7.0	
722213	Snack and Nonalcoholic Beverage Bars	\$7.0	
722310	Food Service Contractors	\$20.5	
722320	Caterers	\$7.0	
722330	Mobile Food Services	\$7.0	
722410	Drinking Places (Alcoholic Beverages)	\$7.0	
<b>Sector 81—Other Services (Except Public Administration)</b>			
<b>Subsector 811—Repair and Maintenance</b>			
811111	General Automotive Repair	\$7.0	
811112	Automotive Exhaust System Repair	\$7.0	
811113	Automotive Transmission Repair	\$7.0	
811118	Other Automotive Mechanical and Electrical Repair and Maintenance	\$7.0	
811121	Automotive Body, Paint and Interior Repair and Maintenance	\$7.0	
811122	Automotive Glass Replacement Shops	\$7.0	
811191	Automotive Oil Change and Lubrication Shops	\$7.0	
811192	Car Washes	\$7.0	
811198	All Other Automotive Repair and Maintenance	\$7.0	
811211	Consumer Electronics Repair and Maintenance	\$7.0	
811212	Computer and Office Machine Repair and Maintenance	\$25.0	
811213	Communication Equipment Repair and Maintenance	\$7.0	
811219	Other Electronic and Precision Equipment Repair and Maintenance	\$7.0	
811310	Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	\$7.0	
811411	Home and Garden Equipment Repair and Maintenance	\$7.0	
811412	Appliance Repair and Maintenance	\$7.0	
811420	Reupholstery and Furniture Repair	\$7.0	
811430	Footwear and Leather Goods Repair	\$7.0	
811490	Other Personal and Household Goods Repair and Maintenance	\$7.0	
<b>Subsector 812—Personal and Laundry Services</b>			
812111	Barber Shops	\$7.0	
812112	Beauty Salons	\$7.0	
812113	Nail Salons	\$7.0	
812191	Diet and Weight Reducing Centers	\$7.0	
812199	Other Personal Care Services	\$7.0	
812210	Funeral Homes and Funeral Services	\$7.0	
812220	Cemeteries and Crematories	\$7.0	
812310	Coin-Operated Laundries and Drycleaners	\$7.0	
812320	Drycleaning and Laundry Services (except Coin-Operated)	\$4.5	
812331	Linen Supply	\$14.0	
812332	Industrial Launderers	\$14.0	
812910	Pet Care (except Veterinary) Services	\$7.0	
812921	Photo Finishing Laboratories (except One-Hour)	\$7.0	
812922	One-Hour Photo Finishing	\$7.0	
812930	Parking Lots and Garages	\$7.0	
812990	All Other Personal Services	\$7.0	
<b>Subsector 813—Religious, Grantmaking, Civic, Professional and Similar Organizations</b>			
813110	Religious Organizations	\$7.0	
813211	Grantmaking Foundations	\$7.0	
813212	Voluntary Health Organizations	\$7.0	
813219	Other Grantmaking and Giving Services	\$7.0	
813311	Human Rights Organizations	\$7.0	
813312	Environment, Conservation and Wildlife Organizations	\$7.0	
813319	Other Social Advocacy Organizations	\$7.0	
813410	Civic and Social Organizations	\$7.0	



SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
813910	Business Associations	\$7.0	
813920	Professional Organizations	\$7.0	
813930	Labor Unions and Similar Labor Organizations	\$7.0	
813940	Political Organizations	\$7.0	
813990	Other Similar Organizations (except Business, Professional, Labor, and Political Organizations).	\$7.0	

\* \* \* \* \*

**Footnotes**

\* \* \* \* \*

2. NAICS code 237990—*Dredging*: To be considered small for purposes of Government procurement, a firm must perform at least 40 percent of the volume dredged with its own equipment or equipment owned by another small dredging concern.

\* \* \* \* \*

8. NAICS Codes 522110, 522120, 522130, 522190, 522210 and 522293—A financial institution's assets are determined by averaging the assets reported on its four quarterly financial statements for the preceding year. "Assets" for the purposes of this size standard means the assets defined according to the Federal Financial Institutions Examination Council 034 call report form.

9. NAICS code 531190—*Leasing of building space to the Federal Government by Owners*: For Government procurement, a size standard of \$20.5 million in gross receipts applies to the owners of building space leased to the Federal Government. The standard does not apply to an agent.

10. NAICS codes 488510 (part), 531210, 541810, 561510, 561520 and 561920—As measured by total revenues, but excluding funds received in trust for an unaffiliated third party, such as bookings or sales subject to commissions. The commissions received are included as revenue.

\* \* \* \* \*

12. NAICS 561210—*Facilities Support Services*:

(a) If one or more activities of Facilities Support Services as defined in paragraph (b) (below in this footnote) can be identified with a specific industry and that industry accounts for 50% or more of the value of an entire procurement, then the proper classification of the procurement is that of the specific industry, not Facilities Support Services.

(b) "Facilities Support Services" requires the performance of three or more separate activities in the areas of services or specialty trade contractors industries. If services are performed, these service activities must each be in a separate NAICS industry. If the procurement requires the use of specialty trade contractors (plumbing, painting, plastering, carpentry, etc.), all such specialty trade contractors activities are considered a single activity and classified as "Building and Property Specialty Trade Services." Since "Building and Property Specialty Trade Services" is only one activity, two

additional activities of separate NAICS industries are required for a procurement to be classified as "Facilities Support Services."

13. NAICS code 238990—*Building and Property Specialty Trade Services*: If a procurement requires the use of multiple specialty trade contractors (i.e., plumbing, painting, plastering, carpentry, etc.), and no specialty trade accounts for 50% or more of the value of the procurement, all such specialty trade contractors activities are considered a single activity and classified as Building and Property Specialty Trade Services.

14. NAICS 562910—*Environmental Remediation Services*:

(a) For SBA assistance as a small business concern in the industry of Environmental Remediation Services, other than for Government procurement, a concern must be engaged primarily in furnishing a range of services for the remediation of a contaminated environment to an acceptable condition including, but not limited to, preliminary assessment, site inspection, testing, remedial investigation, feasibility studies, remedial design, containment, remedial action, removal of contaminated materials, storage of contaminated materials and security and site closeouts. If one of such activities accounts for 50 percent or more of a concern's total revenues, employees, or other related factors, the concern's primary industry is that of the particular industry and not the Environmental Remediation Services Industry.

(b) For purposes of classifying a Government procurement as Environmental Remediation Services, the general purpose of the procurement must be to restore or directly support the restoration of a contaminated environment (such as preliminary assessment, site inspection, testing, remedial investigation, feasibility studies, remedial design, remediation services, containment, removal of contaminated materials or security and site closeouts), although the general purpose of the procurement need not necessarily include remedial actions. Also, the procurement must be composed of activities in three or more separate industries with separate NAICS codes or, in some instances (e.g., engineering), smaller sub-components of NAICS codes with separate and distinct size standards. These activities may include, but are not limited to, separate activities in industries such as: Heavy Construction; Special Trade Contractors; Engineering Services; Architectural Services; Management Consulting Services; Hazardous and Other Waster Collection; Remediation

Services; Testing Laboratories; and Research and Development in the Physical, Engineering, and Life Sciences. If any activity in the procurement can be identified with a separate NAICS code, or component of a code with a separate distinct size standard, and that industry accounts for 50 percent or more of the value of the entire procurement, then the proper size standard is the one for that particular industry, and not the Environmental Remediation Service size standard.

15. Subsector 483—*Water Transportation—Offshore Marine Services*: The applicable size standard shall be \$28.0 million for firms furnishing specific transportation services to concerns engaged in offshore oil and/or natural gas exploration, drilling production, or marine research; such services encompass passenger and freight transportation, anchor handling, and related logistical services to and from the work site or at sea.

16. NAICS code 611519—*Job Corps Centers*. For classifying a Federal procurement, the purpose of the solicitation must be for the management and operation of a U.S. Department of Labor Job Corps Center. The activities involved include admissions activities, life skills training, educational activities, comprehensive career preparation activities, career development activities, career transition activities, as well as the management and support functions and services needed to operate and maintain the facility. For SBA assistance as a small business concern, other than for Federal Government procurements, a concern must be primarily engaged in providing the services to operate and maintain Federal Job Corps Centers.

17. NAICS code 115310—*Support Activities for Forestry—Forest Fire Suppression and Fuels Management Services* are two components of Support Activities for Forestry. Forest Fire Suppression includes establishments which provide services to fight forest fires. These firms usually have fire-fighting crews and equipment. Fuels Management Services firms provide services to clear land of hazardous materials that would fuel forest fires. The treatments used by these firms may include prescribed fire, mechanical removal, establishing fuel breaks, thinning, pruning, and piling.

18. NAICS code 541519—An Information Technology Value Added Reseller provides a total solution to information technology acquisitions by providing multi-vendor hardware and software along with significant services. Significant value added services consist of, but are not limited to,

configuration consulting and design, systems integration, installation of multi-vendor computer equipment, customization of hardware or software, training, product technical support, maintenance, and end user support. For purposes of Government procurement, an information technology procurement classified under this industry category must consist of at least 15% and not more than 50% of value added services as measured by the total price less the cost of information technology hardware, computer software, and profit. If the contract consists of less than 15% of value added services, then it must be classified under a NAICS manufacturing industry. If the contract consists of more than 50% of value added services, then it must be classified under the NAICS industry that best describes the predominate service of the procurement. To qualify as an Information Technology Value Added Reseller for purposes of SBA assistance, other than for Government procurement, a concern must be primarily engaged in providing information technology equipment and computer software and provide value added services which account for at least 15% of its receipts but not more than 50% of its receipts.

\* \* \* \* \*

■ 3. Amend § 121.301 by revising paragraphs (a), (b)(2), and (d)(1) to read as follows:

**§ 121.301 What size standards are applicable to financial assistance programs?**

(a) For Business Loans and Disaster Loans (other than physical disaster loans), an applicant business concern must satisfy two criteria:

(1) The size of the applicant alone (without affiliates) must not exceed the size standard designated for the industry in which the applicant is primarily engaged; and

(2) The size of the applicant combined with its affiliates must not exceed the size standard designated for either the primary industry of the applicant alone or the primary industry of the applicant and its affiliates, whichever is higher. These size standards are set forth in § 121.201.

(b) \* \* \*

(2) Including its affiliates, tangible net worth not in excess of \$8.5 million, and average net income after Federal income taxes (excluding any carry-over losses) for the preceding two completed fiscal years not in excess of \$3.0 million. If the applicant is not required by law to pay Federal income taxes at the enterprise level, but is required to pass income through to its shareholders, partners, beneficiaries, or other equitable owners, the applicant's "net income after Federal income taxes" will be its net income reduced by an amount computed as follows:

\* \* \* \* \*

(d) \* \* \*

(1) Any construction (general or special trade) concern or concern performing a contract for services is small if, together with its affiliates, its average annual receipts do not exceed \$7.0 million, except as provided in § 121.301(d)(3).

\* \* \* \* \*

■ 4. Amend § 121.302 by revising paragraph (c) to read as follows:

**§ 121.302 What size status of an applicant?**

\* \* \* \* \*

(c) For disaster loan assistance (other than physical disaster loans), size status is determined as of the date the disaster commenced, as set forth in the Disaster Declaration. For economic injury disaster loan assistance under disaster declarations for Hurricanes Katrina, Rita, and Wilma, size status is determined as of the date SBA accepts the application for processing, and for applications submitted before December 6, 2005, whether denied because of size status or pending, such applications shall be deemed resubmitted on December 6, 2005. For pre-disaster mitigation loans, size status is determined as of the date SBA accepts a complete Pre-Disaster Mitigation Small Business Loan Application for processing. Refer to § 123.408 of this chapter to find out what SBA considers to be a complete Pre-Disaster Mitigation Small Business Loan Application.

\* \* \* \* \*

■ 5. Amend § 121.502 by revising paragraph (a)(2) to read as follows:

**§ 121.502 What size standards are applicable to programs for sales and leases of Government property?**

(a) \* \* \*

(2) A concern not primarily engaged in manufacturing is small for sales or leases of Government property if it has annual receipts not exceeding \$7.0 million.

\* \* \* \* \*

■ 6. Amend § 121.512 by revising paragraph (b) to read as follows:

**§ 121.512 What is the size standard for stockpile purchases?**

\* \* \* \* \*

(b) Its annual receipts, together with its affiliates, do not exceed \$57.5 million.

**PART 123—DISASTER LOAN PROGRAM**

■ 7. The authority citation of part 123 continues to read as follows:

**Authority:** 15 U.S.C. 634(b)(6), 636(b), 636(c); Pub. L. 102-395, 106 Stat. 1828, 1864;

and Pub. L. 103-75, 107 Stat. 739; and Pub. L. 106-50, 113 Stat. 245.

■ 8. Amend § 123.300 by revising paragraph (b) to read as follows:

**§ 123.300 Is my business eligible to apply for an economic injury disaster loan?**

\* \* \* \* \*

(b) Economic injury disaster loans are available only if you were a small business (as defined in part 121 of this chapter) when the declared disaster commenced (except disaster declarations for Hurricanes Katrina, Rita and Wilma, for which size status is determined as of the date SBA accepts the application for processing, and for applications submitted before December 6, 2005, whether denied because of size status or pending, such applications shall be deemed resubmitted on December 6, 2005), you and your affiliates and principle owners (20% or more ownership interest) have used all reasonably available funds, and you are unable to obtain credit elsewhere (see § 123.104).

\* \* \* \* \*

Dated: July 3, 2008.

**Jovita Carranza,**

*Acting Administrator.*

[FR Doc. E8-16148 Filed 7-17-08; 8:45 am]

BILLING CODE 8025-01-P

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 71**

[Docket No. FAA-2008-0003; Airspace Docket No. 08-ASW-1]

**Amendment of Class E Airspace; Lexington, OK**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Direct final rule; removal.

**SUMMARY:** A direct final rule, published in the **Federal Register** April 16, 2008 (73 FR 20526) Docket No. FAA-2008-0003, adding additional Class E airspace at Lexington, OK is being removed. Although the rule became effective April 10, 2008, charting of this airspace was never completed. A new rulemaking will be forthcoming with an effective date that coincides with the new charting date.

**DATES:** Effective Date: 0901 UTC July 18, 2008.

**FOR FURTHER INFORMATION CONTACT:** Gary Mallett, Central Service Center, Operations Support Group, Federal Aviation Administration, Southwest Region, 2601 Meacham Blvd., Fort