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Small Business Administration

Semiannual Regulatory Agenda

SMALL BUSINESS ADMINISTRATION

13 CFR Ch. I

Semiannual Regulatory Agenda

AGENCY: U.S. Small Business Administration (SBA).

ACTION: Semiannual regulatory agenda.

SUMMARY: This Regulatory Agenda is a semiannual summary of all current and projected rulemakings and completed actions of the Small Business Administration (SBA). SBA expects that this summary information will enable the public to be more aware of, and effectively participate in, SBA's regulatory activity. SBA invites the public to submit comments on any aspect of this Agenda.

FOR FURTHER INFORMATION CONTACT:

General: Please direct general comments or inquiries to Imelda A. Kish, Law Librarian, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416; (202) 205-6849, imelda.kish@sba.gov.

Specific: Please direct specific comments and inquiries on individual regulatory activities identified in this Agenda to the individual listed in the summary of the regulation as the point of contact for that regulation.

SUPPLEMENTARY INFORMATION: SBA provides this notice under the requirements of the Regulatory Flexibility Act, 5 U.S.C. sections 601 to 612 and Executive Order 12866, "Regulatory Planning and Review," which require each agency to publish a semiannual agenda of regulations. The Regulatory Agenda is a summary of all current and projected Agency rulemakings, as well as actions completed since the publication of the last Regulatory Agenda. SBA's last Semiannual Regulatory Agenda was published on January 7, 2014, at 79 FR 1228. The Semiannual Agenda of the SBA conforms to the Unified Agenda format developed by the Regulatory Information Service Center.

Beginning with the fall 2007 edition, the Unified Agenda has been

disseminated via the Internet. The complete Unified Agenda will be available online at www.reginfo.gov in a format that greatly enhances a user's ability to obtain information about the rules in SBA's Agenda.

The Regulatory Flexibility Act requires federal agencies to publish their regulatory flexibility agendas in the **Federal Register**. Therefore, SBA's printed agenda entries include regulatory actions that are in the SBA's regulatory flexibility agenda because they are likely to have a significant economic impact on a substantial number of small entities. Printing of these entries is limited to fields that contain information required by the Regulatory Flexibility Act's Agenda requirements. Additional information on these entries is available in the Unified Agenda published on the Internet.

Dated: February 27, 2014.

Marianne O'Brien Markowitz,
Acting Administrator.

SMALL BUSINESS ADMINISTRATION—PROPOSED RULE STAGE

| Sequence No. | Title | Regulation Identifier No. |
|--------------|--|---------------------------|
| 244 | Small Business Development Centers (SBDC) Program Revisions | 3245-AE05 |
| 245 | SBA Express Loan Program; Export Express Program | 3245-AF85 |
| 246 | Implementation of Small Business Disaster Response and Loan Improvement Act: Expedited Disaster Assistance Program. | 3245-AF88 |
| 247 | Implementation of Small Business Disaster Response and Loan Improvement Act: Private Loan Disaster Program. | 3245-AF99 |
| 248 | Women's Business Center Program | 3245-AG02 |
| 249 | Small Business Size Standards; Alternative Size Standard for 7(a), 504, and Disaster Loan Programs | 3245-AG16 |
| 250 | Small Business Mentor-Protege Programs | 3245-AG24 |
| 251 | Small Business HUBZone Program | 3245-AG38 |
| 252 | Agent Revocation and Suspension Procedures | 3245-AG40 |
| 253 | Small Business Size Standards: Employee Based Size Standards for Wholesale Trade and Retail Trade | 3245-AG49 |
| 254 | Small Business Size Standards for Manufacturing | 3245-AG50 |
| 255 | Small Business Size Standards for Other Industries With Employee-Based Size Standards Not Part of Manufacturing Wholesale Trade or Retail Trade. | 3245-AG51 |
| 256 | Small Business Government Contracting and Timber Sales Amendments | 3245-AG58 |
| 257 | Advisory Small Business Size Decisions | 3245-AG59 |

SMALL BUSINESS ADMINISTRATION—FINAL RULE STAGE

| Sequence No. | Title | Regulation Identifier No. |
|--------------|--|---------------------------|
| 258 | Lender Oversight Program | 3245-AE14 |
| 259 | 504 and 7(a) Loan Programs Updates | 3245-AG04 |
| 260 | Small Business Size Standards; Inflation Adjustment to Monetary-Based Size Standards | 3245-AG60 |

SMALL BUSINESS ADMINISTRATION—COMPLETED ACTIONS

| Sequence No. | Title | Regulation Identifier No. |
|--------------|--|---------------------------|
| 261 | Small Business Technology Transfer (STTR) Policy Directive | 3245-AF45 |
| 262 | Small Business Innovation Research (SBIR) Program Policy Directive | 3245-AF84 |
| 263 | Small Business Size Standards for Utilities | 3245-AG25 |
| 264 | Small Business Size Standards: Construction | 3245-AG37 |

SMALL BUSINESS ADMINISTRATION (SBA)

Proposed Rule Stage

244. Small Business Development Centers (SBDC) Program Revisions

Legal Authority: 15 U.S.C. 634(b)(6); 15 U.S.C. 648

Abstract: Updates the SBDC program regulations by amending the (1) procedures for approving applications for new Host SBDCs; (2) approval procedures for travel outside the continental U.S. and U.S. territories; (3) procedures and requirements regarding findings and disputes resulting from financial exams, programmatic reviews, accreditation reviews, and other SBA oversight activities; (4) requirements for new or renewal applications for SBDC grants, including the requirements for electronic submission through the approved electronic Government submission facility; and (5) provisions regarding the collection and use of the individual SBDC client data.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: John C. Lyford, Deputy Associate Administrator, Office of Small Business Development Centers, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7159, *Fax:* 202 481-2613, *Email:* chancy.lyford@sba.gov. *RIN:* 3245-AE05

245. SBA Express Loan Program; Export Express Program

Legal Authority: 15 U.S.C. 636(a)(31) and (35)

Abstract: SBA plans to issue regulations for the SBA Express loan program codified in section 7(a)(31) of the Small Business Act. The SBA Express loan program reduces the number of Government mandated forms and procedures, streamlines the processing and reduces the cost of smaller, less complex SBA loans. Particular features of the SBA Express loan program include: (1) SBA Express loans carry a maximum SBA guaranty of 50 percent; (2) a response to an SBA Express loan application will be given within 36 hours; (3) lenders and borrowers can negotiate the interest rate, which may not exceed SBA maximums; and (4) qualified lenders may be granted authorization to make eligibility determinations. SBA also plans to issue regulations for the Export Express Program codified at 7(a)(35) of the Small

Business Act. The Export Express Program, made permanent by the Small Business Jobs Act, makes guaranteed financing available for export development activities.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Linda Rusche, Director, Office of Financial Assistance, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-6396, *Email:* linda.rusche@sba.gov. *RIN:* 3245-AF85

246. Implementation of Small Business Disaster Response and Loan Improvement Act: Expedited Disaster Assistance Program

Legal Authority: 15 U.S.C. 636j

Abstract: This proposed rule would establish and implement an expedited disaster assistance business loan program under which the SBA will guarantee short-term loans made by private lenders to eligible small businesses located in a catastrophic disaster area. The maximum loan amount is \$150,000, and SBA will guarantee timely payment of principal and interest to the lender. The maximum loan term will be 180 days, and the interest rate will be limited to 300 basis points over the Federal funds rate.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 07/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Linda Rusche, Director, Office of Financial Assistance, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-6396, *Email:* linda.rusche@sba.gov. *RIN:* 3245-AF88

247. Implementation of Small Business Disaster Response and Loan Improvement Act: Private Loan Disaster Program

Legal Authority: 15 U.S.C. 636(c)

Abstract: This proposed rule would establish and implement a private disaster loan program under which SBA will guarantee loans made by qualified lenders to eligible small businesses and homeowners located in a catastrophic disaster area. Private disaster loans made under this programs will have the

same terms and conditions as SBA's direct disaster loans. In addition, SBA will guarantee timely payment of principal and interest to the lender. SBA may guarantee up to 85 percent of any loan under this program and the maximum loan amount is \$2 million.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 08/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Linda Rusche, Director, Office of Financial Assistance, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-6396, *Email:* linda.rusche@sba.gov. *RIN:* 3245-AF99

248. Women's Business Center Program

Legal Authority: 15 U.S.C. 631; 15 U.S.C. 656

Abstract: SBA's Office of Women's Business Ownership (OWBO) oversees a network of SBA-funded Women's Business Centers (WBCs) throughout the United States and its territories. WBCs provide management and technical assistance to small business concerns both nascent and established, with a focus on such businesses that are owned and controlled by women, or on women planning to start a business, especially women who are economically or socially disadvantaged. The training and counseling provided by the WBCs encompass a comprehensive array of topics, such as finance, management and marketing in various languages. This rule would propose to codify the requirements and procedures that govern the delivery, funding and evaluation of the management and technical assistance provided under the WBC Program. The rule would address, among other things, the eligibility criteria for selection as a WBC, use of Federal funds, standards for effectively carrying out program duties and responsibilities, and the requirements for reporting on financial and programmatic performance.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Bruce D. Purdy, Deputy Assistant Administrator, Office of Women's Business Ownership, Small Business Administration, Washington, DC 20416, *Phone:* 202 205-7532, *Email:* bruce.purdy@sba.gov.

RIN: 3245-AG02

249. Small Business Size Standards; Alternative Size Standard for 7(A), 504, and Disaster Loan Programs

Legal Authority: Pub. L. 111-240, sec 1116

Abstract: SBA will amend its size eligibility criteria for Business Loans, community development company (CDC) loans under title V of the Small Business Investment Act (504) and economic injury disaster loans (EIDL). For the SBA 7(a) Business Loan Program and the 504 program, the amendments will provide an alternative size standard for loan applicants that do not meet the small business size standards for their industries. The Small Business Jobs Act of 2010 (Jobs Act) established alternative size standards that apply to both of these programs until SBA's Administrator establishes other alternative size standards. For the disaster loan program, the amendments will provide an alternative size standard for loan applicants that do not meet the Small Business Size Standard for their industries. These alternative size standards do not affect other Federal Government programs, including Federal procurement.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 08/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7189, *Fax:* 202 205-6390, *Email:* khem.sharma@sba.gov.

RIN: 3245-AG16

250. Small Business Mentor-Protege Programs

Legal Authority: Pub. L. 111-240; sec 1347; 15 U.S.C. 657r

Abstract: SBA currently has a mentor-protege program for the 8(a) Business Development Program that is intended to enhance the capabilities of the protege and to improve its ability to successfully compete for Federal contracts. The Small Business Jobs Act authorized SBA to use this model to establish similar mentor-protege programs for the Service Disabled Veteran-Owned, HUBZone, and Women-Owned Small Federal Contract Business Programs and the National Defense Authorization Act for Fiscal Year 2013 authorized this for all small businesses. This authority is consistent

with recommendations issued by an interagency task force created by President Obama on Federal Contracting Opportunities for Small Businesses. During the next 12 months, SBA will make it a priority to issue regulations establishing the three newly authorized mentor-protege programs and set out the standards for participating as a mentor or protege in each. As is the case with the current mentor-protege program, the various forms of assistance that a mentor will be expected to provide to a protege include technical and/or management assistance; financial assistance in the form of equity investment and/or loans; subcontracts; and/or assistance in performing prime contracts with the Government in the form of joint venture arrangements.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 06/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dean R. Koppel, Assistant Director, Office of Policy and Research, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7322, *Fax:* 202 481-1540, *Email:* dean.koppel@sba.gov.

RIN: 3245-AG24

251. Small Business Hubzone Program

Legal Authority: 15 U.S.C. 657a

Abstract: SBA has been reviewing its processes and procedures for implementing the HUBZone program and has determined that several of the regulations governing the program should be amended in order to resolve certain issues that have arisen. As a result, the proposed rule would constitute a comprehensive revision of part 126 of SBA's regulations to clarify current HUBZone Program regulations, and implement various new procedures. The amendments will make it easier for participants to comply with the program requirements and enable them to maximize the benefits afforded by participation. In developing this proposed rule, SBA will focus on the principles of Executive Order 13563 to determine whether portions of regulations should be modified, streamlined, expanded or repealed to make the HUBZone program more effective and/or less burdensome on small business concerns. At the same time, SBA will maintain a framework that helps identify and reduce waste, fraud, and abuse in the program.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 08/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Mariana Pardo, Director, Office of Hubzone, Small Business Administration, 409 3rd Street SW., Washington, DC 20416, *Phone:* 202 205-2985, *Email:* mariana.pardo@sba.gov.

RIN: 3245-AG38

252. Agent Revocation and Suspension Procedures

Legal Authority: 15 U.S.C. 634; 15 U.S.C. 642

Abstract: These changes to 13 CFR sections 103, 134, and 2 CFR 2700 lay out a procedural process for SBA's revocation of the privilege of agents to conduct business with the Agency. Included in this process are procedure for proposed revocation, the opportunity to object to the proposed revocation, the revocation decision, as well as requests for reconsideration. These procedures also provide for suspension of the privilege to conduct business with the Agency pending a revocation action. In addition, these changes remove Office of Hearings and Appeals review of suspension, revocation, and debarment actions by SBA.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 06/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Debra Mayer, Chief, Supervision and Enforcement, Office of Credit Risk Management, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7577, *Email:* debra.mayer@sba.gov.

RIN: 3245-AG40

253. Small Business Size Standards: Employee Based Size Standards for Wholesale Trade and Retail Trade

Legal Authority: 15 U.S.C. 632(a)

Abstract: SBA is conducting a comprehensive review of all small business size standards to determine whether the existing size standards should be retained or revised. As part of this effort, SBA has evaluated each industry in North American Industry Classification System (NAICS) Sector 42, Wholesale Trade, and Sector 44-45, Retail Trade and revised these employee-based size standards for certain industries in those sectors. This

is one of the rules that will examine industries grouped by an NAICS Sector. SBA has applied its “Size Standards Methodology,” which is available on its Web site at <http://www.sba.gov/size>, to this proposed rule.

Note: The title for this rule has been changed since the rule was first reported in the Regulatory Agenda on January 8, 2013, from “Small Business Size Standards for Wholesale Trade” to “Small Business Size Standards: Employee Based Size Standards for Wholesale Trade and Retail Trade.” The title was changed to make it clear that the rule also addresses industries with employee based size standards in Retail Trade.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 06/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7189, *Fax:* 202 205-6390, *Email:* khem.sharma@sba.gov.

RIN: 3245-AG49

254. Small Business Size Standards for Manufacturing

Legal Authority: 15 U.S.C. 632(a)
Abstract: SBA is conducting a comprehensive review of all small business size standards to determine whether the existing size standards should be retained or revised. As part of this effort, SBA has evaluated each industry in North American Industry Classification System (NAICS) Sector 31-33, Manufacturing, and revised these employee-based size standards for certain industries in the sector. This is one of the rules that will examine industries grouped by an NAICS Sector. SBA has applied its “Size Standards Methodology,” which is available on its Web site at <http://www.sba.gov/size>, to this proposed rule.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7189, *Fax:* 202 205-6390, *Email:* khem.sharma@sba.gov.

RIN: 3245-AG50

255. Small Business Size Standards for Other Industries With Employee-Based Size Standards Not Part of Manufacturing Wholesale Trade or Retail Trade

Legal Authority: 15 U.S.C. 632(a)
Abstract: SBA is conducting a comprehensive review of all small business size standards to determine whether the existing size standards should be retained or revised. As part of this effort, SBA has evaluated each industry that has an employee-based standard but is not part of North American Industry Classification System (NAICS) Sector 31-33, Manufacturing, Sector 42, Wholesale Trade, or Sector 44-45, Retail Trade and revised size standards for some of those industries. This is one of the rules that will examine industries grouped by an NAICS Sector. SBA has applied its “Size Standards Methodology,” which is available on its Web site at <http://www.sba.gov/size>, to this proposed rule.

Please Note: The title for this rule has been changed since it was first announced in the Regulatory Agenda on January 8, 2013, to add the words “or Retail Trade” at the end of the previous title. This change makes it clear that industries in the retail trade with employee based size standards are also not addressed in the rule.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7189, *Fax:* 202 205-6390, *Email:* khem.sharma@sba.gov.

RIN: 3245-AG51

256. Small Business Government Contracting and Timber Sales Amendments

Legal Authority: 15 U.S.C. 631; Pub. L. 112-239

Abstract: The rule would propose various small business related amendments authorized by various sections of the NDAA of 2013 with respect to the limitations on subcontracting and non-manufacturer rules that apply to set aside contracts. SBA would propose amendments concerning joint ventures, the applicability of the non-manufacturer rule to the purchase of software; recertification of size; process for making size determinations with respect

to the payment of reduced user fees to the Food and Drug Administration; the calculation of cost and market share for purposes of small business timber sales; affiliation in the context of Small Innovation Research program; the definition of a construction contract for purposes of an adverse impact analysis in connection with 8(a) Business Development program contract; Procurement Center Representative responsibilities; small business subcontracting assistance and reporting; Certificates of Competency; and penalties for violations of the subcontracting limitations and protection for small businesses that acted in good faith in connection with such limitations.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 07/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dean R. Koppel, Assistant Director, Office of Policy and Research, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7322, *Fax:* 202 481-1540, *Email:* dean.koppel@sba.gov.

RIN: 3245-AG58

257. Advisory Small Business Size Decisions

Legal Authority: 15 U.S.C. 645(d)(3)
Abstract: The purpose of the statute is to provide a “safe harbor” for firms that violate the prohibition against misrepresenting themselves as small businesses in cases where the firms first obtain advisory opinions concluding that they satisfy the relevant size standards from either Small Business Development Centers (SBDCs) (SBA grantees) or Procurement Technical Assistance Centers (PTACs) (DOD grantees). This rule would provide guidance to SBDCs and PTACs regarding the minimum requirements that small business status advisory opinions must meet in order to be deemed adequate by SBA. The rule would also require the SBDC or PTAC issuing the advisory opinion to remit a copy of the opinion to SBA for review, and establish a 10 day deadline by which SBA must either accept or reject the advisory opinion. If SBA rejects the advisory opinion, the Agency will notify the entity which issued the opinion and the firm to which it applies, after which time the firm is no longer entitled to rely upon the opinion or invoke the safe harbor provisions of the statute. If SBA accepts the advisory opinion, then the

firm may rely on the SBDC or PTAC advisory opinion and is entitled to invoke the safe harbor provision as a defense to punishments imposed under 15 U.S.C. section 645, Offenses and Penalties, which prescribes fines and imprisonment for false statements. The rule would also make clear that SBA has the authority to initiate a formal size determination of a firm that is the subject of a small business status advisory opinion where the Agency concludes that opinion contains information that calls into question the firm's small business status.

Timetable:

| Action | Date | FR Cite |
|------------|----------|---------|
| NPRM | 05/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Kevin Harber, Attorney Advisor, Office of General Counsel, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 619-1602, *Email:* kevin.harber@sba.gov. *RIN:* 3245-AG59

SMALL BUSINESS ADMINISTRATION (SBA)

Final Rule Stage

258. Lender Oversight Program

Legal Authority: 15 U.S.C. 634(b)(6), (b)(7), (b)(14), (h) and note; 687(f), 697e(c)(8), and 650

Abstract: This rule implements the Small Business Administration's (SBA) statutory authority under the Small Business Act to regulate Small Business Lending Companies (SBLCs) and non-federally regulated lenders (NFRLs). It also conforms SBA rules for the section 7(a) Business Loan Program and the Certified Development Company (CDC) Program.

In particular, this rule: (1) Defines SBLCs and NFRLs; (2) clarifies SBA's authority to regulate SBLCs and NFRLs; (3) authorizes SBA to set certain minimum capital standards for SBLCs, to issue cease and desist orders, and revoke or suspend lending authority of SBLCs and NFRLs; (4) establishes the Bureau of Premier Certified Lender Program Oversight in the Office of Credit Risk Management; (5) transfers existing SBA enforcement authority over CDCs from the Office of Financial Assistance to the appropriate official in the Office of Capital Access; and (6) defines SBA's oversight and enforcement authorities relative to all SBA lenders participating in the 7(a)

and CDC programs and intermediaries in the Microloan program.

Timetable:

| Action | Date | FR Cite |
|--|----------|-------------|
| NPRM | 10/31/07 | 72 FR 61752 |
| NPRM Comment Period Extended. | 12/20/07 | 72 FR 72264 |
| NPRM Comment Period End. | 02/29/08 | |
| Interim Final Rule | 12/11/08 | 73 FR 75498 |
| Interim Final Rule Comment Period End. | 03/11/09 | |
| Interim Final Rule Effective. | 01/12/09 | |
| Final Rule | 09/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Brent Ciurlino, Director, Office of Credit Risk Management, Small Business Administration, 409 3rd Street SW., Washington, DC 20416, *Phone:* 202 205-6538, *Email:* brent.ciurlino@sba.gov. *RIN:* 3245-AE14

259. 504 and 7(A) Loan Programs Updates

Legal Authority: 15 U.S.C. 695 et seq., 15 U.S.C. 636(a)

Abstract: The 7(a) Loan Program and 504 Loan Program are SBA's two primary business loan programs authorized under the Small Business Act and the Small Business Investment Act of 1958, respectively. The 7(a) Loan Program's main purpose is to help eligible small businesses obtain credit when they cannot obtain "credit elsewhere." This program is also an important engine for job creation. On the other hand, the core mission of the 504 Loan Program is to provide long-term fixed asset financing to small businesses to facilitate the creation of jobs and local economic development. The purpose of this proposed rulemaking is to reinvigorate these programs as vital tools for creating and preserving American jobs. SBA proposes to strip away regulatory restrictions that detract from the 504 Loan Program's core job creation mission as well as the 7(a) Loan Program's positive job creation impact on the American economy. The proposed changes would enhance job creation through increasing eligibility for loans under SBA's business loan programs and by modifying certain program participant requirements applicable to these two programs. The major changes that SBA is proposing include changes relating to the personal resources test, the 9-month rule for the

504 Loan Program, and CDC operational and organizational requirements.

Timetable:

| Action | Date | FR Cite |
|--------------------------|----------|-------------|
| NPRM | 02/25/13 | 78 FR 12633 |
| NPRM Comment Period End. | 04/26/13 | |
| Final Rule | 03/21/14 | 79 FR 15641 |
| Final Rule Effective. | 04/21/14 | |
| Final Action | 12/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: John P. Kelley, Senior Advisor to the Associate Administrator, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-0067, *Fax:* 202 292-3844, *Email:* patrick.kelley@sba.gov. *RIN:* 3245-AG04

260. Small Business Size Standards; Inflation Adjustment to Monetary-Based Size Standards

Legal Authority: 15 U.S.C. 632(a)

Abstract: SBA intends to issue an interim final rule with request for comments to adjust its monetary small business size standards (i.e., receipts, net income, net worth, and financial assets), for the effects of inflation that have occurred since the last inflation adjustment, which was effective August 19, 2008. The interim final rule will restore small business eligibility to businesses that have lost their small business status due to inflation. The Small Business Jobs Act of 2010 (Jobs Act) requires SBA to review and adjust (as necessary) all size standards within five years of its enactment. SBA's Small Business Size Regulations at 13 CFR 121.102(c) require the same quinquennial (or less) review and adjustment. The rule will not increase the \$750,000 size standard for agricultural enterprises, which is established by the Small Business Act (§ 3(a)(1)).

Timetable:

| Action | Date | FR Cite |
|--------------------|----------|---------|
| Interim Final Rule | 07/00/14 | |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration, 409 Third Street SW., Washington, DC 20416, *Phone:* 202 205-7189, *Fax:* 202 205-6390, *Email:* khem.sharma@sba.gov. *RIN:* 3245-AG60

SMALL BUSINESS ADMINISTRATION (SBA)

Completed Actions

261. Small Business Technology Transfer (STTR) Policy Directive

Legal Authority: 15 U.S.C. 638(p); Pub. L. 112–81, sec 5001, *et seq.*

Abstract: The amendments to the Small Business Technology Transfer (STTR) Policy Directive cover, in general: Extension of the program through 2017; increase in percentage of extramural research and development budget reserved for program; annual adjustment of award guidelines for inflation; authority for SBIR awardees to receive STTR awards and vice versa; prevention of duplicate awards; requirements for agencies to allow business concerns owned by multiple venture capital operating companies, hedge funds or private equity firms to participate in the program; authority for small businesses to contract with Federal laboratory and restrictions on advanced payment to laboratories; technical assistance amendments; commercialization readiness and commercialization readiness pilot for civilian agencies; additional annual report and data collection requirements; and funding for administration and oversight of programs.

Completed:

| Reason | Date | FR Cite |
|--------------|----------|------------|
| Notice | 01/08/14 | 79 FR 1309 |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Edsel M. Brown, *Phone:* 202 205–6450, *Email:* edsel.brown@sba.gov, *RIN:* 3245–AF45

262. Small Business Innovation Research (SBIR) Program Policy Directive

Legal Authority: 15 U.S.C. 638(j); Pub. L. 112–81, sec 5001, *et seq.*

Abstract: The amendments to the Small Business Innovation Research

Policy Directive cover, in general: Extension of the program through 2017; increase in percentage of extramural research and development budget reserved for program; annual adjustment of award guidelines for inflation; authority for SBIR awardees to receive STTR awards and vice versa; prevention of duplicate awards; requirements for agencies to allow business concerns owned by multiple venture capital operating companies, hedge funds, or private equity firms to participate in the program; authority for small businesses to contract with Federal laboratory and restrictions on advanced payment to laboratories; technical assistance amendments; commercialization readiness and commercialization readiness pilot for civilian agencies; additional annual report and data collection requirements; and funding for administration and oversight of programs.

Completed:

| Reason | Date | FR Cite |
|--------------|----------|------------|
| Notice | 01/08/14 | 79 FR 1303 |

Regulatory Flexibility Analysis Required: Yes.

Agency Contact: Edsel M. Brown, *Phone:* 202 205–6450, *Email:* edsel.brown@sba.gov, *RIN:* 3245–AF84

263. Small Business Size Standards for Utilities

Legal Authority: 15 U.S.C. 632(a)
Abstract: SBA issued a proposed rule in the **Federal Register** on July 19, 2012 to revise small business size standards for nine industries in North American Industry Classification System Sector 22, Utilities. After evaluating comments the Agency received, SBA issued a final rule on December 23, 2013 effective January 22, 2014. The final rule modified 13 size standards in Sector 22 (the increased number being due to the restructuring of various industries in this sector by OMB). SBA increased receipts based size standards for three industries and changed the basis for

measuring business size from megawatt hours to number of employees for the 10 electric power generation, transmission, and distribution industries. In addition, SBA removed Footnote 1 from SBA’s Table of Size Standards that had applied to all NAICS codes that describe electric power generation, transmission, and distribution.

Completed:

| Reason | Date | FR Cite |
|---|----------------------|-------------|
| Final Rule Final Rule Effective. | 12/23/13 01/22/14 | 78 FR 77343 |

Regulatory Flexibility Analysis Required: Yes.

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264. Small Business Size Standards: Construction

Legal Authority: 15 U.S.C. 632(a)
Abstract: SBA issued a proposed rule in the **Federal Register** on July 18, 2012 to revise two small business size standards in Sector 23, Construction. After evaluating the 25 comments the Agency received, SBA issued a final rule on December 23, 2013, effective January 22, 2014. The final rule modified two standards, Land Subdivision and Drudging and Surface Cleanup Activities.

Completed:

| Reason | Date | FR Cite |
|---|----------------------|-------------|
| Final Rule Final Rule Effective. | 12/23/13 01/22/14 | 78 FR 77334 |

Regulatory Flexibility Analysis Required: Yes.

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