

SMALL BUSINESS ADMINISTRATION**13 CFR Part 121**

RIN 3245-AH89

Small Business Size Standards: Adoption of 2022 North American Industry Classification System for Size Standards**AGENCY:** U.S. Small Business Administration.**ACTION:** Final rule.

SUMMARY: The U.S. Small Business Administration (“SBA” or “Agency”) amends its small business size regulations to incorporate the U.S. Office of Management and Budget’s (OMB) North American Industry Classification System (NAICS) revision for 2022, identified as NAICS 2022, into its table of small business size standards. The NAICS 2022 revision created 111 new industries by reclassifying, combining, or splitting 156 NAICS 2017 industries or their parts. SBA’s size standards for these 111 new industries under NAICS 2022 have resulted in an increase to the size standards for 22 industries and 29 parts of two industries under NAICS 2017, a decrease to size standards for seven industries and 53 parts of two industries, a change in the size standard measure from average annual receipts to number of employees for one industry, a change in the size standard measure from number of employees to average annual receipts for a part of one industry, and no change in size standards for 117 industries and 19 parts of seven industries.

DATES: This rule is effective October 1, 2022.

FOR FURTHER INFORMATION CONTACT: Dr. Khem R. Sharma, Chief, Office of Size Standards, (202) 205–6618 or sizestandards@sba.gov. This phone number can also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Communications Commission’s TTY-Based Telecommunications Relay Service teletype service at 711.

SUPPLEMENTARY INFORMATION: Effective October 1, 2000, the U.S. Small Business Administration (SBA) adopted North American Industry Classification System (NAICS) 1997 industry definitions as a basis for defining industries for its table of small business size standards, replacing the 1987 Standard Industrial Classification (SIC) (65 FR 30836 (May 15, 2000)). Since then, the Office of Management and Budget (OMB) has issued five revisions to NAICS. SBA’s table of size standards adopted the OMB’s first revision, NAICS 2002, effective October 1, 2002 (67 FR 52597 (August 13, 2002)); the second revision, NAICS 2007, effective October 1, 2007 (72 FR 49639 (August 29, 2007)); the third revision, NAICS 2012, effective October 1, 2012 (77 FR 49991 (August 20, 2012)); and fourth revision, NAICS 2017, effective October 1, 2017 (82 FR 44886 (September 27, 2017)).

On December 21, 2021, OMB published its fifth and latest revision to NAICS “Notice of NAICS 2022 Final Decisions; Update of Statistical Policy Directive No. 8, North American Industry Classification System: Classification of Establishments; and Elimination of Statistical Policy Directive No. 9, Standard Industrial Classification of Enterprises” (86 FR 72277). In the December 21, 2021, **Federal Register** notice, OMB accepted the Economic Classification Policy Committee’s (ECPC) recommendations, as outlined in the July 2, 2021, **Federal Register** notice (86 FR 35350), for the 2022 revisions to NAICS, as well as the recommendations to update OMB Statistical Policy Directive No. 8, *North American Industry Classification System: Classification of Establishments* and to eliminate OMB Statistical Policy Directive No. 9, *Standard Industrial Classification of Enterprises*.

The OMB’s notice stated that Federal statistical establishment data published for reference years beginning on or after January 1, 2022, should be published using NAICS 2022. Although SBA is not a statistical agency, it is adopting NAICS 2022 for its table of size standards, effective October 1, 2022.

As with the previous NAICS revisions, SBA is adopting the latest NAICS revision, identified as NAICS 2022, effective October 1, 2022 (*i.e.*, the beginning of the new fiscal year following the effective date of the OMB’s release of the NAICS 2022 revision), for several reasons: (1) Federal Government contracting data and related statistics will be more consistent and comparable with past data for analyzing future small business activity if implementation of the revised table of size standards occurs at the beginning of a new fiscal year; (2) users of size standards, for instance, Federal prime contractors, who may use the size standards for developing their subcontracting plans, can have more consistent data to examine the past and future Federal contracting trends; and (3) small business size standards apply to most Federal agencies and their programs involving small businesses; with a time lag between the OMB’s effective date and SBA’s update of its size standards, agencies will have sufficient time to implement the changes and develop training tools, if necessary.

Changes in NAICS 2022

The NAICS 2022 revision created 111 new NAICS industries by splitting, merging, or modifying 6-digit codes or industry titles/definitions of 156 exiting industries under NAICS 2017 structure, of which nine industries were split to two or more NAICS 2022 industries. On July 5, 2022, SBA published proposed size standards for the new industries under NAICS 2022 (87 FR 40034). These changes are broken down by NAICS sector in Table 1, “Modified Industries under NAICS 2017 and New Industries under NAICS 2022 by NAICS Sector.” As can be seen in Table 1, Sector 44–45 (Retail Trade) accounts for the largest proportions of NAICS 2017 industries that have changed or been amended and of the new industries that have been created under NAICS 2022, followed by Sector 31–33 (Manufacturing), and Sector 51 (Information).

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Table 1
Modified Industries under NAICS 2017 and New Industries under NAICS 2022 by
NAICS Sector

NAICS Sector	Existing NAICS 2017 Industries Changed		New NAICS 2022 Industries Created	
	Count	%	Count	%
Sector 21	13	8.3%	6	5.4%
Sector 31-33	33	21.2%	19	1.8%
Sector 42	4	2.6%	2	2.7%
Sector 44-45	62	39.7%	53	47.7%
Sector 51	20	12.8%	18	16.2%
Sector 52	12	7.7%	6	5.4%
Sector 81	7	4.5%	2	1.8%
Sectors 48-49, 54, 56 & 62	5	3.2%	5	4.5%
All Sectors	156	100.0%	111	100.0%

Of the 111 new industries under NAICS 2022, 79 (71% of the new industries) were created by merging two or more NAICS 2017 industries in their entirety, one or more of NAICS 2017 industries and part(s) of one or more NAICS 2017 industries, or parts of two or more NAICS 2017 industries.

Altogether, 125 NAICS 2017 industries or their parts were involved in the creation of the 79 new industries. Of the remaining 32 new industries, OMB changed the 6-digit codes for 11 (10%) NAICS 2017 industries without changing their titles, amended the industry titles of 14 (13%) NAICS 2017

industries without changing their 6-digit codes, and created seven (6%) new industries by modifying the title, 6-digit code, or definition (or any combination thereof) of a single NAICS 2017 industry or part. These results are summarized in Table 2, "Summary of NAICS 2022 Changes."

Table 2
Summary of NAICS 2022 Changes

Types of new industries formed	Count	%
New industries formed by merging two or more NAICS 2017 industries or their parts ¹	79	71.2%
NAICS 2017 industries for which 6-digit codes have changed without changing their titles	11	9.9%
NAICS 2017 industries for which titles have changed without changing their 6-digit codes	14	12.6%
NAICS 2017 industries for which titles, 6-digit codes, or definitions have changed, mostly by splitting a single NAICS 2017 industry	7	6.3%
Total	111	100.0%

¹Of the 79 NAICS 2022 new industries, 15 industries formed by merging two or more NAICS 2017 industries or their parts used the NAICS 2017 industry titles, of which 14 used different 6-digit codes and one used the same NAICS 2017 industry code.

Complete information on the relationship between NAICS 2017 and NAICS 2022 is available on the U.S. Bureau of the Census (Census Bureau) website at <https://www.census.gov/>

naics. The Census Bureau's website also provides detailed documentation on Federal notices involving the replacement of SIC with NAICS, and all subsequent NAICS updates and

revisions, including both the July 2, 2021 and December 21, 2021, **Federal Register** notices regarding the NAICS 2022 revision.

Of the 79 new NAICS 2022 industries formed by merging existing NAICS 2017 industries or their parts, 33 or 42% were formed by merging one NAICS 2017 industry with parts of two other NAICS 2017 industries.¹ Likewise, 20 or 25% of new industries were formed by merging two NAICS 2017 industries, and 12 or 15% were formed by merging one NAICS 2017 industry with part of another industry. These results and the formation of the remaining 14 or 18% of new industries are summarized in Table 3, “Formation of New Industries in NAICS 2022.”

Table 3
Formation of New Industries in NAICS 2022

NAICS 2017 Industries or Their Parts	NAICS 2022 New Industries Formed by Merging NAICS 2017 Industries or Their Parts	
	Count	%
One industry and parts of two industries	33	41.8%
Two industries	20	25.3%
One industry and part of one industry	12	15.2%
Three industries	4	5.1%
Two industries and parts of two industries	2	2.5%
One industry and parts of three industries	2	2.5%
Four industries	2	2.5%
Parts of three industries	1	1.3%
Parts of two industries	1	1.3%
Three industries and part of two industries	1	1.3%
Six industries and parts of two industries	1	1.3%
Total	79	100.0%

Table 4, “NAICS 2017 Industries or Their Parts Matched to NAICS 2022 Industries,” below, shows the detailed

changes from NAICS 2017 to NAICS 2022.

¹ These 33 industries were in Sector 44–45 (Retail Trade). Specifically, NAICS 2017 industry 454110 (Electronic Shopping and Mail-Order Houses) was

split to and distributed across 42 different retail trade industries, and similarly NAICS 454390 (Other Direct Selling Establishments) was split to

and distributed across 39 different retail trade industries, which were in turn merged with 33 different Retail Trade industries.

Table 4
NAICS 2017 Industries or Their Parts Matched to NAICS 2022 Industries

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
212111	Bituminous Coal and Lignite Surface Mining	pt.	212114	Surface Coal Mining
212112	Bituminous Coal Underground Mining	pt.	212115	Underground Coal Mining
212113	Anthracite Mining - <i>anthracite surface mining</i>	pt.	212114	Surface Coal Mining
212113	Anthracite Mining - <i>anthracite underground mining</i>	pt.	212115	Underground Coal Mining
212221	Gold Ore Mining	pt.	212220	Gold Ore and Silver Ore Mining
212222	Silver Ore Mining	pt.	212220	Gold Ore and Silver Ore Mining
212291	Uranium-Radium-Vanadium Ore Mining	pt.	212290	Other Metal Ore Mining
212299	All Other Metal Ore Mining	pt.	212290	Other Metal Ore Mining
212324	Kaolin and Ball Clay Mining	pt.	212323	Kaolin, Clay, and Ceramic and Refractory Minerals Mining
212325	Clay and Ceramic and Refractory Minerals Mining	pt.	212323	Kaolin, Clay, and Ceramic and Refractory Minerals Mining
212391	Potash, Soda, and Borate Mineral Mining	pt.	212390	Other Nonmetallic Mineral Mining and Quarrying
212392	Phosphate Rock Mining	pt.	212390	Other Nonmetallic Mineral Mining and Quarrying
212393	Other Chemical and Fertilizer Mineral Mining	pt.	212390	Other Nonmetallic Mineral Mining and Quarrying
212399	All Other Nonmetallic Mineral Mining	pt.	212390	Other Nonmetallic Mineral Mining and Quarrying
311221	Wet Corn Milling	nt.	311221	Wet Corn Milling and Starch Manufacturing
315110	Hosiery and Sock Mills	pt.	315120	Apparel Knitting Mills
315190	Other Apparel Knitting Mills	pt.	315120	Apparel Knitting Mills
315220	Men's and Boys' Cut and Sew Apparel Manufacturing	pt.	315250	Cut and Sew Apparel Manufacturing (except Contractors)
315240	Women's, Girls', and Infants' Cut and Sew Apparel Manufacturing	pt.	315250	Cut and Sew Apparel Manufacturing (except Contractors)
315280	Other Cut and Sew Apparel Manufacturing	pt.	315250	Cut and Sew Apparel Manufacturing (except Contractors)

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
316992	Women's Handbag and Purse Manufacturing	pt.	316990	Other Leather and Allied Product Manufacturing
316998	All Other Leather Good and Allied Product Manufacturing	pt.	316990	Other Leather and Allied Product Manufacturing
321213	Engineered Wood Member (except Truss) Manufacturing	pt.	321215	Engineered Wood Member Manufacturing
321214	Truss Manufacturing	pt.	321215	Engineered Wood Member Manufacturing
322121	Paper (except Newsprint) Mills	pt.	322120	Paper Mills
322122	Newsprint Mills	pt.	322120	Paper Mills
325314	Fertilizer (Mixing Only) Manufacturing - <i>except compost manufacturing</i>	nt.	325314	Fertilizer (Mixing Only) Manufacturing
325314	Fertilizer (Mixing Only) Manufacturing - <i>compost manufacturing</i>	nct.	325315	Compost Manufacturing
325992	Photographic Film, Paper, Plate, and Chemical Manufacturing	nt.	325992	Photographic Film, Paper, Plate, Chemical, and Copy Toner Manufacturing
333244	Printing Machinery and Equipment Manufacturing	pt.	333248	All Other Industrial Machinery Manufacturing
333249	Other Industrial Machinery Manufacturing	pt.	333248	All Other Industrial Machinery Manufacturing
333314	Optical Instrument and Lens Manufacturing	pt.	333310	Commercial and Service Industry Machinery Manufacturing
333316	Photographic and Photocopying Equipment Manufacturing	pt.	333310	Commercial and Service Industry Machinery Manufacturing
333318	Other Commercial and Service Industry Machinery Manufacturing	pt.	333310	Commercial and Service Industry Machinery Manufacturing
333997	Scale and Balance Manufacturing	pt.	333998	All Other Miscellaneous General Purpose Machinery Manufacturing
333999	All Other Miscellaneous General Purpose Machinery Manufacturing	pt.	333998	All Other Miscellaneous General Purpose Machinery Manufacturing
334613	Blank Magnetic and Optical Recording Media Manufacturing	pt.	334610	Manufacturing and Reproducing Magnetic and Optical Media
334614	Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing	pt.	334610	Manufacturing and Reproducing Magnetic and Optical Media
335110	Electric Lamp Bulb and Part Manufacturing	pt.	335139	Electric Lamp Bulb and Other Lighting Equipment Manufacturing
335121	Residential Electric Lighting Fixture Manufacturing	nc.	335131	Residential Electric Lighting Fixture Manufacturing

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
335122	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	nc.	335132	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing
335129	Other Lighting Equipment Manufacturing	pt.	335139	Electric Lamp Bulb and Other Lighting Equipment Manufacturing
335911	Storage Battery Manufacturing	pt.	335910	Battery Manufacturing
335912	Primary Battery Manufacturing	pt.	335910	Battery Manufacturing
336111	Automobile Manufacturing	pt.	336110	Automobile and Light Duty Motor Vehicle Manufacturing
336112	Light Truck and Utility Vehicle Manufacturing	pt.	336110	Automobile and Light Duty Motor Vehicle Manufacturing
337124	Metal Household Furniture Manufacturing	pt.	337126	Household Furniture (except Wood and Upholstered) Manufacturing
337125	Household Furniture (except Wood and Metal) Manufacturing	pt.	337126	Household Furniture (except Wood and Upholstered) Manufacturing
424320	Men's and Boys' Clothing and Furnishings Merchant Wholesalers	pt.	424350	Clothing and Clothing Accessories Merchant Wholesalers
424330	Women's, Children's, and Infants' Clothing and Accessories Merchant Wholesalers	pt.	424350	Clothing and Clothing Accessories Merchant Wholesalers
424940	Tobacco and Tobacco Product Merchant Wholesalers	nt.	424940	Tobacco Product and Electronic Cigarette Merchant Wholesalers
425110	Business to Business Electronic Markets	pt.	425120	Wholesale Trade Agents and Brokers
425120	Wholesale Trade Agents and Brokers	pt.	425120	Wholesale Trade Agents and Brokers
441228	Motorcycle, ATV, and All Other Motor Vehicle Dealers	pt.	441227	Motorcycle, ATV, and All Other Motor Vehicle Dealers
441310	Automotive Parts and Accessories Stores	pt.	441330	Automotive Parts and Accessories Retailers
441320	Tire Dealers	pt.	441340	Tire Dealers
442110	Furniture Stores	pt.	449110	Furniture Retailers
442210	Floor Covering Stores	pt.	449121	Floor Covering Retailers
442291	Window Treatment Stores	pt.	449122	Window Treatment Retailers
442299	All Other Home Furnishings Stores	pt.	449129	All Other Home Furnishings Retailers
443141	Household Appliance Stores	pt.	449210	Electronics and Appliance Retailers
443142	Electronics Stores	pt.	449210	Electronics and Appliance Retailers
444120	Paint and Wallpaper Stores	nt.	444120	Paint and Wallpaper Retailers
444130	Hardware Stores	pt.	444140	Hardware Retailers
444190	Other Building Material Dealers	pt.	444180	Other Building Material Dealers

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
444210	Outdoor Power Equipment Stores	pt.	444230	Outdoor Power Equipment Retailers
444220	Nursery, Garden Center, and Farm Supply Stores	pt.	444240	Nursery, Garden Center, and Farm Supply Retailers
445110	Supermarkets and Other Grocery (except Convenience) Stores	nt.	445110	Supermarkets and Other Grocery Retailers (except Convenience Retailers)
445120	Convenience Stores	pt.	445131	Convenience Retailers
445210	Meat Markets	pt.	445240	Meat Retailers
445220	Fish and Seafood Markets	pt.	445250	Fish and Seafood Retailers
445230	Fruit and Vegetable Markets	nt.	445230	Fruit and Vegetable Retailers
445291	Baked Goods Stores	nt.	445291	Baked Goods Retailers
445292	Confectionery and Nut Stores	nt.	445292	Confectionery and Nut Retailers
445299	All Other Specialty Food Stores	pt.	445298	All Other Specialty Food Retailers
445310	Beer, Wine, and Liquor Stores	pt.	445320	Beer, Wine, and Liquor Retailers
446110	Pharmacies and Drug Stores	pt.	456110	Pharmacies and Drug Retailers
446120	Cosmetics, Beauty Supplies, and Perfume Stores	pt.	456120	Cosmetics, Beauty Supplies, and Perfume Retailers
446130	Optical Goods Stores	pt.	456130	Optical Goods Retailers
446191	Food (Health) Supplement Stores	pt.	456191	Food (Health) Supplement Retailers
446199	All Other Health and Personal Care Stores	pt.	456199	All Other Health and Personal Care Retailers
447110	Gasoline Stations with Convenience Stores	nc.	457110	Gasoline Stations with Convenience Stores
447190	Other Gasoline Stations	nc.	457120	Other Gasoline Stations
448110	Men's Clothing Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448120	Women's Clothing Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448130	Children's and Infants' Clothing Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448140	Family Clothing Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448150	Clothing Accessories Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448190	Other Clothing Stores	pt.	458110	Clothing and Clothing Accessories Retailers
448210	Shoe Stores	pt.	458210	Shoe Retailers
448310	Jewelry Stores	pt.	458310	Jewelry Retailers
448320	Luggage and Leather Goods Stores	pt.	458320	Luggage and Leather Goods Retailers
451110	Sporting Goods Stores	pt.	459110	Sporting Goods Retailers
451120	Hobby, Toy, and Game Stores	pt.	459120	Hobby, Toy, and Game Retailers
451130	Sewing, Needlework, and Piece Goods Stores	pt.	459130	Sewing, Needlework, and Piece Goods Retailers

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
451140	Musical Instrument and Supplies Stores	pt.	459140	Musical Instrument and Supplies Retailers
451211	Book Stores	pt.	459210	Book Retailers and News Dealers
451212	News Dealers and Newsstands	pt.	459210	Book Retailers and News Dealers
452210	Department Stores	pt.	455110	Department Stores
452311	Warehouse Clubs and Supercenters	pt.	455211	Warehouse Clubs and Supercenters
452319	All Other General Merchandise Stores	pt.	455219	All Other General Merchandise Retailers
453110	Florists	pt.	459310	Florists
453210	Office Supplies and Stationery Stores	pt.	459410	Office Supplies and Stationery Retailers
453220	Gift, Novelty, and Souvenir Stores	pt.	459420	Gift, Novelty, and Souvenir Retailers
453310	Used Merchandise Stores	pt.	459510	Used Merchandise Retailers
453910	Pet and Pet Supplies Stores	pt.	459910	Pet and Pet Supplies Retailers
453920	Art Dealers	pt.	459920	Art Dealers
453930	Manufactured (Mobile) Home Dealers	nc.	459930	Manufactured (Mobile) Home Dealers
453991	Tobacco Stores	pt.	459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - <i>general merchandise auction houses</i>	pt.	455219	All Other General Merchandise Retailers
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - <i>electronic cigarette stores and marijuana stores, medical or recreational</i>	pt.	459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - <i>except general merchandise auction houses, electronic cigarette stores, and marijuana stores, medical or recreational</i>	pt.	459999	All Other Miscellaneous Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	441227	Motorcycle, ATV, and All Other Motor Vehicle Dealers
454110	Electronic Shopping and Mail-Order Houses	pt.	441330	Automotive Parts and Accessories Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	441340	Tire Dealers
454110	Electronic Shopping and Mail-Order Houses	pt.	444140	Hardware Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	444180	Other Building Material Dealers
454110	Electronic Shopping and Mail-Order Houses	pt.	444230	Outdoor Power Equipment Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	444240	Nursery, Garden Center, and Farm Supply Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	445131	Convenience Retailers

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
454110	Electronic Shopping and Mail-Order Houses	pt.	445240	Meat Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	445250	Fish and Seafood Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	445298	All Other Specialty Food Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	445320	Beer, Wine, and Liquor Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	449110	Furniture Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	449121	Floor Covering Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	449122	Window Treatment Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	449129	All Other Home Furnishings Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	449210	Electronics and Appliance Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	455110	Department Stores
454110	Electronic Shopping and Mail-Order Houses	pt.	455211	Warehouse Clubs and Supercenters
454110	Electronic Shopping and Mail-Order Houses	pt.	455219	All Other General Merchandise Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	456110	Pharmacies and Drug Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	456120	Cosmetics, Beauty Supplies, and Perfume Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	456130	Optical Goods Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	456191	Food (Health) Supplement Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	456199	All Other Health and Personal Care Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	458110	Clothing and Clothing Accessories Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	458210	Shoe Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	458310	Jewelry Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	458320	Luggage and Leather Goods Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459110	Sporting Goods Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459120	Hobby, Toy, and Game Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459130	Sewing, Needlework, and Piece Goods Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459140	Musical Instrument and Supplies Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459210	Book Retailers and News Dealers
454110	Electronic Shopping and Mail-Order Houses	pt.	459310	Florists
454110	Electronic Shopping and Mail-Order Houses	pt.	459410	Office Supplies and Stationery Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459420	Gift, Novelty, and Souvenir Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459510	Used Merchandise Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459910	Pet and Pet Supplies Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459920	Art Dealers

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
454110	Electronic Shopping and Mail-Order Houses	pt.	459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers
454110	Electronic Shopping and Mail-Order Houses	pt.	459999	All Other Miscellaneous Retailers
454210	Vending Machine Operators	nc.	445132	Vending Machine Operators
454310	Fuel Dealers	nc.	457210	Fuel Dealers
454390	Other Direct Selling Establishments	pt.	441330	Automotive Parts and Accessories Retailers
454390	Other Direct Selling Establishments	pt.	441340	Tire Dealers
454390	Other Direct Selling Establishments	pt.	444140	Hardware Retailers
454390	Other Direct Selling Establishments	pt.	444180	Other Building Material Dealers
454390	Other Direct Selling Establishments	pt.	444230	Outdoor Power Equipment Retailers
454390	Other Direct Selling Establishments	pt.	444240	Nursery, Garden Center, and Farm Supply Retailers
454390	Other Direct Selling Establishments	pt.	445131	Convenience Retailers
454390	Other Direct Selling Establishments	pt.	445240	Meat Retailers
454390	Other Direct Selling Establishments	pt.	445250	Fish and Seafood Retailers
454390	Other Direct Selling Establishments	pt.	445298	All Other Specialty Food Retailers
454390	Other Direct Selling Establishments	pt.	445320	Beer, Wine, and Liquor Retailers
454390	Other Direct Selling Establishments	pt.	449110	Furniture Retailers
454390	Other Direct Selling Establishments	pt.	449121	Floor Covering Retailers
454390	Other Direct Selling Establishments	pt.	449122	Window Treatment Retailers
454390	Other Direct Selling Establishments	pt.	449129	All Other Home Furnishings Retailers
454390	Other Direct Selling Establishments	pt.	449210	Electronics and Appliance Retailers
454390	Other Direct Selling Establishments	pt.	455219	All Other General Merchandise Retailers
454390	Other Direct Selling Establishments	pt.	456110	Pharmacies and Drug Retailers
454390	Other Direct Selling Establishments	pt.	456120	Cosmetics, Beauty Supplies, and Perfume Retailers
454390	Other Direct Selling Establishments	pt.	456130	Optical Goods Retailers
454390	Other Direct Selling Establishments	pt.	456191	Food (Health) Supplement Retailers
454390	Other Direct Selling Establishments	pt.	456199	All Other Health and Personal Care Retailers
454390	Other Direct Selling Establishments	pt.	458110	Clothing and Clothing Accessories Retailers
454390	Other Direct Selling Establishments	pt.	458210	Shoe Retailers
454390	Other Direct Selling Establishments	pt.	458310	Jewelry Retailers
454390	Other Direct Selling Establishments	pt.	458320	Luggage and Leather Goods Retailers
454390	Other Direct Selling Establishments	pt.	459110	Sporting Goods Retailers
454390	Other Direct Selling Establishments	pt.	459120	Hobby, Toy, and Game Retailers

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
454390	Other Direct Selling Establishments	pt.	459130	Sewing, Needlework, and Piece Goods Retailers
454390	Other Direct Selling Establishments	pt.	459140	Musical Instrument and Supplies Retailers
454390	Other Direct Selling Establishments	pt.	459210	Book Retailers and News Dealers
454390	Other Direct Selling Establishments	pt.	459310	Florists
454390	Other Direct Selling Establishments	pt.	459410	Office Supplies and Stationery Retailers
454390	Other Direct Selling Establishments	pt.	459420	Gift, Novelty, and Souvenir Retailers
454390	Other Direct Selling Establishments	pt.	459510	Used Merchandise Retailers
454390	Other Direct Selling Establishments	pt.	459910	Pet and Pet Supplies Retailers
454390	Other Direct Selling Establishments	pt.	459920	Art Dealers
454390	Other Direct Selling Establishments	pt.	459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers
454390	Other Direct Selling Establishments	pt.	459999	All Other Miscellaneous Retailers
485310	Taxi Service	nt.	485310	Taxi and Ridesharing Services
511110	Newspaper Publishers	pt.	513110	Newspaper Publishers
511120	Periodical Publishers	pt.	513120	Periodical Publishers
511130	Book Publishers	pt.	513130	Book Publishers
511140	Directory and Mailing List Publishers	pt.	513140	Directory and Mailing List Publishers
511191	Greeting Card Publishers	pt.	513191	Greeting Card Publishers
511199	All Other Publishers	pt.	513199	All Other Publishers
511210	Software Publishers	nc.	513210	Software Publishers
515111	Radio Networks	pt.	516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers
515112	Radio Stations	nct.	516110	Radio Broadcasting Stations
515120	Television Broadcasting - <i>television broadcasting stations</i>	nct.	516120	Television Broadcasting Stations
515120	Television Broadcasting - <i>television networks</i>	pt.	516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers
515210	Cable and Other Subscription Programming	pt.	516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers
517311	Wired Telecommunications Carriers	nc.	517111	Wired Telecommunications Carriers
517312	Wireless Telecommunications Carriers (except Satellite) - <i>except agents for wireless telecommunications carriers</i>	nct.	517112	Wireless Telecommunications Carriers (except Satellite)

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
517312	Wireless Telecommunications Carriers (except Satellite) - <i>agents for wireless telecommunications carriers</i>	pt.	517122	Agents for Wireless Telecommunications Services
517911	Telecommunications Resellers - <i>except agents for wireless telecommunications resellers</i>	nct.	517121	Telecommunications Resellers
517911	Telecommunications Resellers - <i>agents for wireless telecommunications resellers</i>	pt.	517122	Agents for Wireless Telecommunications Services
517919	All Other Telecommunications	nc.	517810	All Other Telecommunications
518210	Data Processing, Hosting, and Related Services	nt.	518210	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services
519110	News Syndicates	pt.	516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers
519120	Libraries and Archives	nc.	519210	Libraries and Archives
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet newspaper publishers</i>	pt.	513110	Newspaper Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet periodical publishers</i>	pt.	513120	Periodical Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet book publishers</i>	pt.	513130	Book Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet directory and mailing list publishers</i>	pt.	513140	Directory and Mailing List Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet greeting card publishers</i>	pt.	513191	Greeting Card Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>all other Internet publishers</i>	pt.	513199	All Other Publishers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet broadcasting</i>	pt.	516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>web search portals</i>	pt.	519290	Web Search Portals and All Other Information Services
519190	All Other Information Services	pt.	519290	Web Search Portals and All Other Information Services

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Status Code	NAICS 2022 Code	NAICS 2022 U.S. Industry Title
522120	Savings Institutions	pt.	522180	Savings Institutions and Other Depository Credit Intermediation
522190	Other Depository Credit Intermediation	pt.	522180	Savings Institutions and Other Depository Credit Intermediation
522293	International Trade Financing	pt.	522299	International, Secondary Market, and All Other Nondepository Credit Intermediation
522294	Secondary Market Financing	pt.	522299	International, Secondary Market, and All Other Nondepository Credit Intermediation
522298	All Other Nondepository Credit Intermediation	pt.	522299	International, Secondary Market, and All Other Nondepository Credit Intermediation
523110	Investment Banking and Securities Dealing	pt.	523150	Investment Banking and Securities Intermediation
523120	Securities Brokerage	pt.	523150	Investment Banking and Securities Intermediation
523130	Commodity Contracts Dealing	pt.	523160	Commodity Contracts Intermediation
523140	Commodity Contracts Brokerage	pt.	523160	Commodity Contracts Intermediation
523920	Portfolio Management	pt.	523940	Portfolio Management and Investment Advice
523930	Investment Advice	pt.	523940	Portfolio Management and Investment Advice
524292	Third Party Administration of Insurance and Pension Funds	nt.	524292	Pharmacy Benefit Management and Other Third-Party Administration of Insurance and Pension Funds
541380	Testing Laboratories	nt.	541380	Testing Laboratories and Services
541850	Outdoor Advertising	nt.	541850	Indoor and Outdoor Display Advertising
561611	Investigation Services	nt.	561611	Investigation and Personal Background Check Services
624410	Child Day Care Services	nt.	624410	Child Care Services
811112	Automotive Exhaust System Repair	pt.	811114	Specialized Automotive Repair
811113	Automotive Transmission Repair	pt.	811114	Specialized Automotive Repair
811118	Other Automotive Mechanical and Electrical Repair and Maintenance	pt.	811114	Specialized Automotive Repair
811211	Consumer Electronics Repair and Maintenance	pt.	811210	Electronic and Precision Equipment Repair and Maintenance
811212	Computer and Office Machine Repair and Maintenance	pt.	811210	Electronic and Precision Equipment Repair and Maintenance
811213	Communication Equipment Repair and Maintenance	pt.	811210	Electronic and Precision Equipment Repair and Maintenance
811219	Other Electronic and Precision Equipment Repair and Maintenance	pt.	811210	Electronic and Precision Equipment Repair and Maintenance

Note: NAICS 2022 codes in bold indicate pieces of the NAICS 2022 industry came from more than one NAICS 2017 industry; NAICS 2017 codes in italics indicate the NAICS 2017 industry split to two or more NAICS 2022 industries.

Key to abbreviations:

pt. = Part of NAICS 2022 United States industry (n = 217). If a NAICS 2017 industry is split into multiple NAICS 2022 industries, it is counted k times where k is the number of NAICS 2022 industries which includes part of that industry.

nc. = 6-digit NAICS codes changed without changing industries' titles (n = 11).

nt. = NAICS industry titles amended without changing the 6-digit codes (n = 15).

nct. = Either 6-digit codes, title, or content changed (n = 6).

n = Number of industries.

Size Standards for New Industries in NAICS 2022

On October 22, 1999, SBA proposed to replace SIC with NAICS 1997 as the basis of industry definitions for its table of small business size standards (64 FR 57188). The proposed rule included a set of guidelines or rules that SBA applied to convert the size standards for industries under SIC to industries under NAICS. The guidelines primarily aimed to minimize the impact of applying a new industry classification system on SBA's size standards and on small businesses that qualified as small under

the SIC-based size standards. SBA received no negative comments against the proposed guidelines. Thus, SBA published its final rule on May 15, 2000 (65 FR 30386), corrected on September 5, 2000 (65 FR 53533), adopting the resulting table of size standards based on NAICS 1997 structure, as proposed. To be consistent, SBA generally applied the same guidelines when it updated its table of size standards to adopt NAICS 2002, NAICS 2007, NAICS 2012, and NAICS 2017 revisions. In those updates as well, SBA received no adverse comments against using those guidelines, or against the resulting

changes to the size standards. These guidelines to adopt NAICS revisions for size standards were also included in the SBA's "Size Standards Methodology" white paper and SBA received no adverse comments when the revised methodology was open for public comments. Accordingly, for the July 5, 2022, proposed rule to adopt NAICS 2022 structure for its size standards table as well, SBA generally followed the same guidelines, as shown below in Table 5, "General Guidelines to Establish Size Standards for New Industries under NAICS 2022."

Table 5

General Guidelines to Establish Size Standards for New Industries under NAICS 2022

	<u>If the NAICS 2022 industry is composed of:</u>	<u>The size standard for the NAICS 2022 industry code will be:</u>
1	A single NAICS 2012 industry or part of a single NAICS 2012 industry	The same size standard as for the NAICS 2012 industry or part.
2	Two or more NAICS 2017 industries; two or more parts of an NAICS 2017 industry; parts of two or more NAICS 2017 industries; or one or more NAICS 2017 industries and part(s) of one or more NAICS 2017 industries, and	
	2a. they all have the same size standard	The same size standard as for the NAICS 2017 industries or parts.
	2b. they all have the same size measure (<i>e.g.</i> , receipts, employees, <i>etc.</i>) but do not all have the same size standard	The same size standard as for the NAICS 2017 industry or part that most closely matches the economic activity described by the NAICS 2022 industry, or The highest size standard among the NAICS 2017 industries and part(s) that comprise the NAICS 2022 industry, provided that the highest size standard does not include dominant or potentially dominant firms.
	2c. they have different size measures (<i>i.e.</i> , for example, some are based on receipts and others on employees) and hence do not all have the same size standard	The same size standard as for the NAICS 2017 industry or part that most closely matches the economic activity described by the NAICS 2022 industry, or The highest size standard among the NAICS 2017 industries and part(s) that comprise the NAICS 2022 industry, provided that the highest size standard does not include dominant or potentially dominant firms. To apply this rule, SBA converts all size standards to a single measure (<i>e.g.</i> , receipts, employees, <i>etc.</i>) using the size measure for the NAICS 2017 industry or part(s) that most closely match the economic activity described by the NAICS 2022 industry or using the size measure that applies to most of the NAICS industries or parts comprising the NAICS 2022 industry.

SBA generally applied the guidelines in Table 5 to convert the size standards from NAICS 2017 industries to NAICS

2022 industries. In addition to following the above general guidelines in Table 5, in cases where a new industry is formed

by merging multiple industries or parts of multiple industries with substantially different levels or measures of size

standards, as detailed in the July 5, 2022, proposed rule, SBA also examined the relevant latest industry and Federal procurement data to determine an appropriate size standard for the new industry. Developed based on the above guidelines and analyses of the relevant data, where necessary, SBA's size standards for the new industries under NAICS 2022 are shown in Table 6, Size Standards for New Industries in NAICS

2022." Also shown in Table 6 are the current size standards for the affected NAICS 2017 industries and their parts.

Following the publication of the July 5, 2022, proposed rule to incorporate NAICS 2022 into the SBA's table of size standards, as part of the second five-year review of size standards under the Small Business Jobs Act of 2010 (Jobs Act) (Pub. L. 111-240 (September 27, 2010)), SBA adopted revisions to size

standards for industries under NAICS Sectors 42 (Wholesale Trade) and 44-45 (Retail Trade), effective July 14, 2014 (87 FR 35869 (June 14, 2022)).

Accordingly, in this final rule, SBA is adjusting proposed size standards for the new industries under NAICS 2022 to reflect new size standards for Sectors 42 and 44-45 the Agency adopted in the June 14, 2022, final rule. Table 6 shows the adjusted size standards.

Table 6
Size Standards for New Industries in NAICS 2017

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
212111	Bituminous Coal and Lignite Surface Mining		1,250		1,250	212114	Surface Coal Mining	N
212113	Anthracite Mining - <i>anthracite surface mining</i>		250					
212112	Bituminous Coal Underground Mining		1,500		1,500	212115	Underground Coal Mining	N
212113	Anthracite Mining - <i>anthracite underground mining</i>		250					
212221	Gold Ore Mining		1,500		1,500	212220	Gold Ore and Silver Ore Mining	N
212222	Silver Ore Mining		250					
212291	Uranium-Radium-Vanadium Ore Mining		250		750	212290	Other Metal Ore Mining	N
212299	All Other Metal Ore Mining		750					
212324	Kaolin and Ball Clay Mining		750		500	212323	Kaolin, Clay, and Ceramic and Refractory Minerals Mining	N
212325	Clay and Ceramic and Refractory Minerals Mining		500					
212391	Potash, Soda, and Borate Mineral Mining		750		500	212390	Other Nonmetallic Mineral Mining and Quarrying	N
212392	Phosphate Rock Mining		1,000					
212393	Other Chemical and Fertilizer Mineral Mining		500					
212399	All Other Nonmetallic Mineral Mining		500					
311221	Wet Corn Milling		1,250		1,250	311221	Wet Corn Milling and Starch Manufacturing	nt.
315110	Hosiery and Sock Mills		750		750	315120	Apparel Knitting Mills	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
315190	Other Apparel Knitting Mills		750					
315220	Men's and Boys' Cut and Sew Apparel Manufacturing		750		750	315250	Cut and Sew Apparel Manufacturing (except Contractors)	N
315240	Women's, Girls', and Infants' Cut and Sew Apparel Manufacturing		750					
315280	Other Cut and Sew Apparel Manufacturing		750					
316992	Women's Handbag and Purse Manufacturing		750		500	316990	Other Leather and Allied Product Manufacturing	N
316998	All Other Leather Good and Allied Product Manufacturing		500					
321213	Engineered Wood Member (except Truss) Manufacturing		750		500	321215	Engineered Wood Member Manufacturing	N
321214	Truss Manufacturing		500					
322121	Paper (except Newsprint) Mills		1,250		1,250	322120	Paper Mills	N
322122	Newsprint Mills		750					
325314	Fertilizer (Mixing Only) Manufacturing - <i>except compost manufacturing</i>		500		500	325314	Fertilizer (Mixing Only) Manufacturing	nct.
325314	Fertilizer (Mixing Only) Manufacturing - <i>compost manufacturing</i>		500		500	325315	Compost Manufacturing	nct.
325992	Photographic Film, Paper, Plate, and Chemical Manufacturing		1,500		1,500	325992	Photographic Film, Paper, Plate, Chemical, and Copy Toner Manufacturing	nt.
333244	Printing Machinery and Equipment Manufacturing		750		750	333248	All Other Industrial Machinery Manufacturing	N
333249	Other Industrial Machinery Manufacturing		500					

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
333314	Optical Instrument and Lens Manufacturing		500		1,000	333310	Commercial and Service Industry Machinery Manufacturing	N
333316	Photographic and Photocopying Equipment Manufacturing		1,000					
333318	Other Commercial and Service Industry Machinery Manufacturing		1,000					
333997	Scale and Balance Manufacturing		500		500	333998	All Other Miscellaneous General Purpose Machinery Manufacturing	N
333999	All Other Miscellaneous General Purpose Machinery Manufacturing		500					
334613	Blank Magnetic and Optical Recording Media Manufacturing		1,000		1,250	334610	Manufacturing and Reproducing Magnetic and Optical Media	N
334614	Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing		1,250					
335121	Residential Electric Lighting Fixture Manufacturing		750		750	335131	Residential Electric Lighting Fixture Manufacturing	nc.
335122	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing		500		500	335132	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	nc.
335110	Electric Lamp Bulb and Part Manufacturing		1,250		1,250	335139	Electric Lamp Bulb and Other Lighting Equipment Manufacturing	N
335129	Other Lighting Equipment Manufacturing		500					
335911	Storage Battery Manufacturing		1,250		1,250	335910	Battery Manufacturing	N
335912	Primary Battery Manufacturing		1,000					
336111	Automobile Manufacturing		1,500		1,500	336110	Automobile and Light Duty Motor Vehicle Manufacturing	N
336112	Light Truck and Utility Vehicle Manufacturing		1,500					
337124	Metal Household Furniture Manufacturing		750		750	337126	Household Furniture (except Wood and Upholstered) Manufacturing	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
337125	Household Furniture (except Wood and Metal) Manufacturing		750					
424320	Men's and Boys' Clothing and Furnishings Merchant Wholesalers		150		150	424350	Clothing and Clothing Accessories Merchant Wholesalers	N
424330	Women's, Children's, and Infants' Clothing and Accessories Merchant Wholesalers		100					
424940	Tobacco and Tobacco Product Merchant Wholesalers		250		250	424940	Tobacco Product and Electronic Cigarette Merchant Wholesalers	nt.
425110	Business to Business Electronic Markets		125		125	425120	Wholesale Trade Agents and Brokers	N
425120	Wholesale Trade Agents and Brokers		125					
441228	Motorcycle, ATV, and All Other Motor Vehicle Dealers	\$35.0		\$35.0		441227	Motorcycle, ATV, and All Other Motor Vehicle Dealers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
441310	Automotive Parts and Accessories Stores	\$25.0		\$25.0		441330	Automotive Parts and Accessories Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
441320	Tire Dealers	\$22.5		\$22.5		441340	Tire Dealers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
444120	Paint and Wallpaper Stores	\$30.0		\$30.0		444120	Paint and Wallpaper Retailers	nt.
444130	Hardware Stores	\$14.5		\$14.5		444140	Hardware Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454390	Other Direct Selling Establishments	\$13.0						
444190	Other Building Material Dealers	\$22.0		\$22.0		444180	Other Building Material Dealers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
444210	Outdoor Power Equipment Stores	\$8.5		\$8.5		444230	Outdoor Power Equipment Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
444220	Nursery, Garden Center, and Farm Supply Stores	\$19.0		\$19.0		444240	Nursery, Garden Center, and Farm Supply Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
445110	Supermarkets and Other Grocery (except Convenience) Stores	\$35.0		\$35.0		445110	Supermarkets and Other Grocery Retailers (except Convenience) Retailers	nt.
445120	Convenience Stores	\$32.0		\$32.0		445131	Convenience Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
454210	Vending Machine Operators	\$18.5		\$18.5		445132	Vending Machine Operators	nc.
445230	Fruit and Vegetable Markets	\$8.0		\$8.0		445230	Fruit and Vegetable Retailers	nt.
445210	Meat Markets	\$8.0		\$8.0		445240	Meat Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
445220	Fish and Seafood Markets	\$8.0		\$8.0		445250	Fish and Seafood Retailers	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
445291	Baked Goods Stores	\$14.0		\$14.0		445291	Baked Goods Retailers	nt.
445292	Confectionery and Nut Stores	\$17.0		\$17.0		445292	Confectionery and Nut Retailers	nt.
445299	All Other Specialty Food Stores	\$9.0		\$9.0		445298	All Other Specialty Food Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
445310	Beer, Wine, and Liquor Stores	\$9.0		\$9.0		445320	Beer, Wine, and Liquor Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
442110	Furniture Stores	\$22.0		\$22.0		449110	Furniture Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
442210	Floor Covering Stores	\$8.0		\$8.0		449121	Floor Covering Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
442291	Window Treatment Stores	\$10.0		\$10.0		449122	Window Treatment Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
442299	All Other Home Furnishings Stores	\$29.5		\$29.5		449129	All Other Home Furnishings Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
443141	Household Appliance Stores	\$19.5		\$35.0		449210	Electronics and Appliance Retailers	N
443142	Electronics Stores	\$35.0						

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
452210	Department Stores	\$35.0		\$35.0		455110	Department Stores	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
452311	Warehouse Clubs and Supercenters	\$41.5		\$41.5		455211	Warehouse Clubs and Supercenters	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
452319	All Other General Merchandise Stores	\$35.0		\$35.0		455219	All Other General Merchandise Retailers	N
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - general merchandise auction houses	\$10.0						
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
446110	Pharmacies and Drug Stores	\$33.0		\$33.0		456110	Pharmacies and Drug Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
446120	Cosmetics, Beauty Supplies, and Perfume Stores	\$30.0		\$30.0		456120	Cosmetics, Beauty Supplies, and Perfume Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
446130	Optical Goods Stores	\$26.0		\$26.0		456130	Optical Goods Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
446191	Food (Health) Supplement Stores	\$20.0		\$20.0		456191	Food (Health) Supplement Retailers	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
446199	All Other Health and Personal Care Stores	\$8.5		\$8.5		456199	All Other Health and Personal Care Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
447110	Gasoline Stations with Convenience Stores	\$32.0		\$32.0		457110	Gasoline Stations with Convenience Stores	nc.
447190	Other Gasoline Stations	\$29.5		\$29.5		457120	Other Gasoline Stations	nc.
454310	Fuel Dealers		100		100	457210	Fuel Dealers	nc.
448110	Men's Clothing Stores	\$22.5		\$41.5		458110	Clothing and Clothing Accessories Retailers	N
448120	Women's Clothing Stores	\$30.0						
448130	Children's and Infants' Clothing Stores	\$35.0						
448140	Family Clothing Stores	\$41.5						
448150	Clothing Accessories Stores	\$29.5						
448190	Other Clothing Stores	\$27.5						
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
448210	Shoe Stores	\$30.0		\$30.0		458210	Shoe Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
448310	Jewelry Stores	\$18.0		\$18.0		458310	Jewelry Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
448320	Luggage and Leather Goods Stores	\$33.5		\$33.5		458320	Luggage and Leather Goods Retailers	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
451110	Sporting Goods Stores	\$23.5		\$23.5		459110	Sporting Goods Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
451120	Hobby, Toy, and Game Stores	\$31.0		\$31.0		459120	Hobby, Toy, and Game Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
451130	Sewing, Needlework, and Piece Goods Stores	\$30.0		\$30.0		459130	Sewing, Needlework, and Piece Goods Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
451140	Musical Instrument and Supplies Stores	\$20.0		\$20.0		459140	Musical Instrument and Supplies Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
451211	Book Stores	\$31.5		\$31.5		459210	Book Retailers and News Dealers	N
451212	News Dealers and Newsstands	\$20.0						
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453110	Florists	\$8.0		\$8.0		459310	Florists	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453210	Office Supplies and Stationery Stores	\$35.0		\$35.0		459410	Office Supplies and Stationery Retailers	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453220	Gift, Novelty, and Souvenir Stores	\$12.0		\$12.0		459420	Gift, Novelty, and Souvenir Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453310	Used Merchandise Stores	\$12.5		\$12.5		459510	Used Merchandise Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453910	Pet and Pet Supplies Stores	\$28.0		\$28.0		459910	Pet and Pet Supplies Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453920	Art Dealers	\$14.5		\$14.5		459920	Art Dealers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
453930	Manufactured (Mobile) Home Dealers	\$16.5		\$16.5		459930	Manufactured (Mobile) Home Dealers	nc.
453991	Tobacco Stores	\$8.0		\$10.0		459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers	N
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - <i>electronic cigarette stores and marijuana stores, medical or recreational</i>	\$10.0						
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores) - <i>except general merchandise auction houses, electronic cigarette stores, and marijuana stores, medical or recreational</i>	\$10.0		\$10.0		459999	All Other Miscellaneous Retailers	N
454110	Electronic Shopping and Mail-Order Houses	\$41.5						
454390	Other Direct Selling Establishments	\$13.0						
485310	Taxi Service	\$16.5		\$16.5		485310	Taxi and Ridesharing Services	nt.
511110	Newspaper Publishers		1,000		1,000	513110	Newspaper Publishers	N
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet newspaper publishers</i>		1,000					
511120	Periodical Publishers		1,000		1,000	513120	Periodical Publishers	N
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet periodical publishers</i>		1,000					
511130	Book Publishers		1,000		1,000	513130	Book Publishers	N
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet book publishers</i>		1,000					
511140	Directory and Mailing List Publishers		1,250		1,000	513140	Directory and Mailing List Publishers	N
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet directory and mailing list publishers</i>		1,000					
511191	Greeting Card Publishers		1,500		1,000	513191	Greeting Card Publishers	N

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet greeting card publishers</i>		1,000					
511199	All Other Publishers		500		1,000	513199	All Other Publishers	N
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>all other Internet publishers</i>		1,000					
511210	Software Publishers	\$41.5		\$41.5		513210	Software Publishers	nc.
515112	Radio Stations	\$41.5		\$41.5		516110	Radio Broadcasting Stations	nct.
515120	Television Broadcasting - <i>television broadcasting stations</i>	\$41.5		\$41.5		516120	Television Broadcasting Stations	nct.
515111	Radio Networks	\$41.5		\$41.5		516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers	N
515120	Television Broadcasting - <i>television networks</i>	\$41.5						
515210	Cable and Other Subscription Programming	\$41.5						
519110	News Syndicates	\$32.0						
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>Internet broadcasting</i>		1,000					
517311	Wired Telecommunications Carriers		1,500		1,500	517111	Wired Telecommunications Carriers	nc.
517312	Wireless Telecommunications Carriers (except Satellite) - <i>except agents for wireless telecommunications carriers</i>		1,500		1,500	517112	Wireless Telecommunications Carriers (except Satellite)	nct.
517911	Telecommunications Resellers - <i>except agents for wireless telecommunications resellers</i>		1,500		1,500	517121	Telecommunications Resellers	nct.

NAICS 2017 Code	NAICS 2017 U.S. Industry Title (and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
517312	Wireless Telecommunications Carriers (except Satellite) - <i>agents for wireless telecommunications carriers</i>		1,500		1,500	517122	Agents for Wireless Telecommunications Services	N
517911	Telecommunications Resellers - <i>agents for wireless telecommunications resellers</i>		1,500					
517919	All Other Telecommunications	\$35.0		\$35.0		517810	All Other Telecommunications	nc.
518210	Data Processing, Hosting, and Related Services	\$35.0		\$35.0		518210	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	nt.
519120	Libraries and Archives	\$18.5		\$18.5		519210	Libraries and Archives	nc.
519130	Internet Publishing and Broadcasting and Web Search Portals - <i>web search portals</i>		1,000		1,000	519290	Web Search Portals and All Other Information Services	N
519190	All Other Information Services	\$30.0						
522120	Savings Institutions	\$750.0 million in assets		\$750.0 million in assets		522180	Savings Institutions and Other Depository Credit Intermediation	N
522190	Other Depository Credit Intermediation	\$750.0 million in assets						
522293	International Trade Financing	\$41.5		\$41.5		522299	International, Secondary Market, and All Other Nondepository Credit Intermediation	N
522294	Secondary Market Financing	\$41.5						
522298	All Other Nondepository Credit Intermediation	\$41.5						
523110	Investment Banking and Securities Dealing	\$41.5		\$41.5		523150	Investment Banking and Securities Intermediation	N
523120	Securities Brokerage	\$41.5						
523130	Commodity Contracts Dealing	\$41.5		\$41.5		523160	Commodity Contracts Intermediation	N
523140	Commodity Contracts Brokerage	\$41.5						
523920	Portfolio Management	\$41.5		\$41.5		523940	Portfolio Management and Investment Advice	N
523930	Investment Advice	\$41.5						

NAICS 2017 Code	NAICS 2017 U.S. Industry Title <i>(and specific piece of the NAICS 2017 industry that is contained in the NAICS 2022 industry)</i>	Current NAICS 2017 Standard (\$million)	Current NAICS 2017 Standard (employees)	Adopted NAICS 2022 Standard (\$million)	Adopted NAICS 2022 Standard (employees)	NAICS 2022 Code	NAICS 2022 U.S. Industry Title	Status code
524292	Third Party Administration of Insurance and Pension Funds	\$40.0		\$40.0		524292	Pharmacy Benefit Management and Other Third-Party Administration of Insurance and Pension Funds	nt.
541380	Testing Laboratories	\$16.5		\$16.5		541380	Testing Laboratories and Services	nt.
541850	Outdoor Advertising	\$30.5		\$30.5		541850	Indoor and Outdoor Display Advertising	nt.
561611	Investigation Services	\$22.0		\$22.0		561611	Investigation and Personal Background Check Services	nt.
624410	Child Day Care Services	\$8.5		\$8.5		624410	Child Care Services	nt.
811112	Automotive Exhaust System Repair	\$8.0		\$8.0		811114	Specialized Automotive Repair	N
811113	Automotive Transmission Repair	\$8.0						
811118	Other Automotive Mechanical and Electrical Repair and Maintenance	\$8.0						
811211	Consumer Electronics Repair and Maintenance	\$22.5		\$30.0		811210	Electronic and Precision Equipment Repair and Maintenance	N
811212	Computer and Office Machine Repair and Maintenance	\$30.0						
811213	Communication Equipment Repair and Maintenance	\$19.5						
811219	Other Electronic and Precision Equipment Repair and Maintenance	\$22.0						

Note: NAICS 2022 codes in bold indicate pieces of the NAICS 2022 industry came from more than one NAICS 2017 industry; NAICS 2017 codes in italics indicate the NAICS 2017 industry split to two or more NAICS 2022 industries.

Key to abbreviations:

- N = New industry (in **bold**) formed by combining two or more of NAICS 2017 industries or their parts.
- nc. = 6-digit NAICS codes changed without changing industries' titles.
- nt. = NAICS industry titles amended without changing the 6-digit codes.
- nct. = Either 6-digit codes, titles, or contents changed.

Summary of Size Standards for NAICS 2022 Industries

The NAICS 2022 revision created 111 new industries by reclassifying, combining, or splitting 156 NAICS 2017 industries or their parts. SBA’s size standards for these 111 new industries under NAICS 2022, as shown in Table 3 (above) have resulted in an increase to the size standards for 22 industries and 29 parts of two industries under NAICS 2017, a decrease to size standards for seven industries and 53 parts of two industries, a change in the size standard measure from average annual receipts to number of employees for one industry, a change in the size standard measure from number of employees to average annual receipts for part of one industry, and no change in size standards for 117 industries and 19 parts of seven industries. These figures are slightly different from those published in the proposed rule because of the adoption of the latest size standards for industries in Sectors 42 and 44–45 that became effective on July 14, 2022 (87 FR 35869).²

In accordance with 13 CFR 121.102(e), SBA advises eligible parties of the option to file a petition for reconsideration of a revised, modified, or established size standard at SBA’s Office of Hearings and Appeals (OHA)

within 30 calendar days after publication of this final rule in accordance with 15 U.S.C. 632(a)(9) and 13 CFR 134 Subpart I. OHA can be reached using the following contact information: by mail at U.S. Small Business Administration, Office of Hearings and Appeals, 409 Third St. SW, Eighth Floor, Washington, DC 20416, by email at ohafilings@sba.gov by phone: 202–401–8200 TTY/TRS: 711, or by fax at (202) 205–7059.

Discussion of Comments

For the July 5, 2022, proposed rule, SBA provided a 30-day comment period for the public to comment on proposed changes to size standards from the adoption of the NAICS 2022, which ended on August 4, 2022. SBA sought comment on whether its proposed size standards for new industries under NAICS 2022 were appropriate and suggestions on alternative size standards, along with supporting data and analysis, if proposed size standards were not appropriate. SBA also sought comments on its methodology for converting size standards from NAICS 2017 to NAICS 2022 and data sources and analyses it used in developing proposed size standards for new industries. SBA received three comments, which are summarized and discussed below.

Comments on Correct Size Standards

SBA received one comment contending that the Agency did not propose the latest size standards it updated on July 14, 2022 for three NAICS codes, namely NAICS 425120 (Wholesale Trade Agents and Brokers), NAICS 445291 (Baked Goods Stores), and NAICS 445292 (Confectionery and Nut Stores). The commenter urged the SBA to use the most recent size standards for these NAICS codes.

SBA Response

Following the publication of the July 5, 2022, proposed rule to adopt NAICS 2022 for size standards, as part of the second five-year review of size standards under the Jobs Act, SBA adopted size standards revisions for industries under NAICS Sectors 42 and 44–45, effective July 14, 2022. At the time when SBA published the NAICS 2022 proposed rule, the old size standards were in effect. Thus, SBA applied the old size standards in the proposed rule. In this final rule, however, SBA is adopting the July 14, 2022, version of the size standards as shown in Table 6 (above) and Table 7, Adopted Size Standards for NAICS 425120, 445291 and 445292, below, which are the latest size standards in effect.

Table 7
Adopted Size Standards for NAICS 425120, 445291 and 445292

NAICS 2017 code	NAICS 2017 Industry Title	Proposed (Old) Size Standard	NAICS 2022 Code	NAICS 2022 Industry Title	Adopted (New) Size Standard
4215110	Business to Business Electronic Markets	100 employees	425120	Wholesale Trade Agents and Brokers	125 employees
425120	Wholesale Trade Agents and Brokers	100 employees			
445291	Baked Goods Stores	\$8 million	445291	Baked Goods Retailers	\$14 million
445292	Confectionery and Nuts Stores	\$8 million	445292	Confectionery and Nuts Retailers	\$17 million

²In the proposed rule, SBA’s proposed size standards for the 111 new industries under NAICS 2022 resulted in an increase to the size standards for 21 industries and 27 parts of three industries under NAICS 2017, a decrease to size standards for

seven industries and 41 parts of one industry, a change in the size standard measure from average annual receipts to number of employees for one industry, a change in the size standard measure from number of employees to average annual

receipts for a part of one industry, and no change in size standards for 118 industries and 33 parts of eight industries.

Comments on Missing NAICS Codes

SBA received a comment stating that the proposed rule did not mention three NAICS codes added for the 2022 NAICS revision, namely NAICS 521110 (Monetary Authorities-Central Bank), NAICS 541120 (Offices of Notaries), and NAICS 551114 (Corporate, Subsidiary, and Regional Managing Offices). These are found on the Economic Census NAICS website ([https://](https://www.census.gov/naics/)

www.census.gov/naics), the commenter added.

SBA Response

SBA disagrees with the commenter that NAICS codes 521110, 541120, and 551114 were newly added to NAICS 2022. These NAICS codes existed since the initial, 1997 edition of NAICS, which replaced the Standard Industry Classification (SIC) system as the basis of industry definitions for size

standards. Table 8, NAICS–SIC Concordance for NAICS 521110, 541120, and 551114, shows the relationship between NAICS and SIC with respect to these three NAICS codes. When SBA first switched from SIC to NAICS as the basis of industry definitions for size standards, it did not establish small business size standards for these NAICS codes for the following reasons.

Table 8
NAICS-SIC Concordance for NAICS 521110, 541120, and 551114

1997 NAICS	1997 NAICS Title	SIC	SIC Title and Part Description
521110	Monetary Authorities - Central Bank	6011	Federal Reserve Banks
541120	Offices of Notaries		Null Set for U.S.
551114	Corporate, Subsidiary, and Regional Managing Offices	Aux	These establishments were included as auxiliaries in the 1987 Standard Industrial Classification

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NAICS 521110—Monetary Authorities-Central Bank

In the United States, the functions of the Monetary Authorities-Central Bank are performed by the Federal Reserve System. According to the NAICS manual, found at www.census.gov/naics, establishments of the Board of Governors of the Federal Reserve System are classified in NAICS Industry 921130, Public Finance Activities. As stated in Footnote 17 to the SBA’s table of size standards, small business size standards are not established for industries within NAICS Sector 92, Public Administration.

NAICS 541120—Offices of Notaries

As shown in Table 8 (above), NAICS Industry 541120 (Offices of Notaries) is not a valid industry in the United States and accordingly SBA does not establish the small business size standard for that NAICS code. According to the NAICS manual, available at www.census.gov/naics, establishments of notaries public engaged in activities, such as administering oaths and taking affidavits and depositions, witnessing and certifying signatures on documents, but not empowered to draw and approve legal documents and contracts, are classified in U.S. NAICS Industry 541199, All Other Legal Services. Moreover, NAICS 541120 is not covered

by both the Economic Census and County Business Patterns Reports.

NAICS 551114—Corporate, Subsidiary, and Regional Managing Offices

As shown in Table 8 (above), NAICS Industry 551114 did not correspond to any specific industry under SIC. As a result, when SBA first established size standards for NAICS industries, the Agency did not establish a small business size standard for NAICS 551114. The adoptions of the subsequent NAICS revisions also did not assign the size standard for NAICS 551114. Like NAICS 541120, NAICS 55114 is also not covered by both the Economic Census and County Business Patterns Reports.

Comments on Inflation Adjustment of Revenue-Based Size Standards

SBA received a comment urging SBA to adjust all revenue-based size standards for inflation. The commenter maintained that current inflation is running at 9.1% and that inflation adjustment of size standards by that amount is appropriate in the current economic environment.

SBA Response

SBA is required to assess the impact of inflation on its monetary-based size standards *at least* once every five years (67 FR 3041 (January 23, 2002)) and 13 CFR 121.102(c)) and make necessary adjustments to restore their values in

real terms. As stated in the SBA’s Semiannual Regulatory Agenda for Spring 2022, SBA is currently pursuing a separate rulemaking (RIN 3245–AH93) to assess the impact of the current general price increases on size standards. SBA agrees with the comment that current inflation trends warrant adjustment of monetary-based size standards for inflation. SBA expects to issue that rulemaking in the near future.

Conclusion

In absence of adverse comments against the proposed size standards for the new industries under NAICS 2022, SBA is adopting the size standards for the new industries, as proposed.

Evaluation of Dominance in Field of Operation

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) defines a small business concern as one that: (1) Is independently owned and operated; (2) Is not dominant in its field of operation; and (3) Meets a specific small business definition or size standard established by SBA’s Administrator. SBA considers, as part of its evaluation, whether a business concern at a proposed or revised size standard would be dominant in its field of operation. For this, SBA generally examines the industry’s market share of firms at the proposed or revised standard. SBA also examines distribution of firms by size to

ensure that a contemplated size standard excludes the largest and potentially dominant firms within an industry. The results of the market share analysis and size distribution of firms may indicate whether a firm, at the proposed or revised size standard, can exercise a control on a national basis. SBA has determined that for the industries for which size standards have been changed in this proposed rule, no individual firm at or below the proposed size standard will be large enough to dominate its field of operation. The share of a firm in total industry receipts at the proposed size standard, among those industries for which size standards have been changed is, on average, 1.8%, ranging from 0.005% to 31.2%. SBA determines that these levels of market shares effectively preclude a firm at or below the proposed size standards from exerting control on any of the industries.

Alternatives To Adopting NAICS 2022 for Size Standards

As an alternative to adopting new size standards for NAICS 2022 industries, in this final rule, SBA considered retaining NAICS 2017 as the basis of industry definitions for its small business size standards. That would, however, lead to inconsistency between SBA's size standards and establishment data published by Federal agencies that will adopt NAICS 2022 for their statistical and other data collection programs. OMB stated in its December 21, 2021, notice that "Federal statistical establishment data published for reference years beginning on or after January 1, 2022, should be published using the 2022 NAICS United States codes." SBA is not a statistical agency, but the Agency uses for its size standards analyses establishment data collected by other Federal agencies, such as the Economic Census data and County Business Patterns from the U.S. Census Bureau. If SBA continues using NAICS 2017 for its size standards, it will not be able to analyze and evaluate industry structure adequately and accurately and adjust small business size standards appropriately because the forthcoming Economic Census and County Business Patterns data based on NAICS 2022 will not be compatible with NAICS 2017. That would run counter to the mandate of the Jobs Act, which requires SBA to review all size standards and adjust them appropriately to reflect the current industry and market data every five years.

To establish, review, or revise, where necessary, small business size standards, SBA uses special tabulations of industry data that it obtains from the

U.S. Census Bureau based on its Economic Census of U.S. industries and businesses, and establishment data from its County Business Patterns. Because the 2022 Economic Census will be based on NAICS 2022 industry definitions, it is imperative that SBA use NAICS 2022 as the basis of industry definitions for its table of small business size standards.

Justification for the October 1, 2022, Effective Date

The Administrative Procedure Act (APA) requires that "publication or service of a substantive rule shall be made not less than 30 days before its effective date, except * * * as otherwise provided by the agency for good cause found and published with the rule." 5 U.S.C. 553(d)(3). The purpose of the APA provision delaying the effective date of a rule for 30 days after publication is to provide interested and affected members of the public sufficient time to adjust their behavior before the rule takes effect. For the reasons set forth below, SBA finds that good cause exists to make this final rule become effective on October 1, 2022, less than 30 days after it is published in the **Federal Register**.

SBA's small business size standards, matched to NAICS 2022, to be adopted in a forthcoming final rule, will be effective on October 1, 2022, for the following reasons:

1. OMB stated in its December 21, 2021, notice that Federal statistical establishment data published for reference years beginning on or after January 1, 2022, should be published using NAICS 2022. SBA is not a statistical agency, but it uses the establishment data collected from other Federal agencies, such as the Economic Census and County Business Patterns data from the Census Bureau for its size standards analysis. Similarly, Federal procurement databases and systems, such as FPDS-NG and the System for Award Management (SAM), use NAICS codes from SBA's table of size standards. If SBA does not adopt NAICS 2022 for its table of size standards in a timely manner, it will result in inconsistency between SBA's size standards and other Federal procurement databases.

Small business size standards apply to most Federal agencies and their programs involving small businesses; the time lag between the OMB's effective date and SBA's update to its size standards has already given them time to implement the changes and develop training tools, if necessary; so further additional time to prepare to comply is unnecessary.

2. October 1, 2022, is the start of the new Federal Government fiscal year following OMB's adoption of NAICS 2022 effective January 1, 2022, and is consistent with SBA's adoption of previous NAICS revisions for its size standards effective at the beginning of the new fiscal year after the OMB's effective date. Like the adoption of the previous NAICS revisions, the adoption of NAICS 2022 is "not significant" and noncontroversial, as SBA is merely implementing the revised NAICS codes promulgated by OMB through a comment and notice process.

3. With the adoption of the updated size standards at the start of the new fiscal year (October 1, 2022), instead of the OMB January 1, 2022, effective date, Federal agencies that use NAICS industry definitions and SBA's size standards can collect comparable and consistent data on Federal statistics for program and industry analyses.

4. With the October 1, 2022, effective date, Federal agencies that use SBA's small business size standards for their programs will have sufficient time to plan and implement the updated size standards and assess the impact of size standards changes on their programs.

Compliance With Executive Orders 12866, the Congressional Review Act (5 U.S.C. 801–808), the Regulatory Flexibility Act (5 U.S.C. 601–612), Executive Orders 13563, 12988, and 13132, and the Paperwork Reduction Act (44 U.S.C. Ch. 35)

Executive Order 12866

OMB has determined that this final rule is not a "significant regulatory action" for purposes of Executive Order 12866. This rule incorporates the OMB's 2022 revisions of NAICS, which SBA uses as a basis of industry definitions for purposes of establishing small business size standards. As discussed above in the Supplementary Information section, the size standards of some industries or their parts would change because of the adoption of the NAICS 2022 revisions for SBA's Table of Size Standards. However, SBA has determined that a vast majority of businesses defined as small under the current NAICS 2017 based size standards will continue to remain small under the NAICS 2022 based size standards. The final rule will also affect other Federal Government programs that use SBA's size standards and provide various benefits for small businesses. In order to help explain the need and objective of this proposed rule and its potential benefits and costs, SBA is providing, below, a Cost Benefit Analysis of this final rule, including (1)

A statement of the need for the regulatory action, (2) An examination of alternative approaches, and (3) An evaluation of the benefits and costs—both quantitative and qualitative—of the regulatory action and the alternatives considered.

Cost Benefit Analysis

1. *What is the need for the regulatory action?*

SBA believes that revising its small business size standards based on NAICS 2022 is in the best interests of small businesses. SBA's mission is to aid and assist small businesses through a variety of financial, procurement, business development and counselling, and advocacy programs. To ensure that these programs are best directed to their intended beneficiaries, SBA establishes numerical small business definitions (usually referred to as "size standards") to determine which businesses are deemed eligible for Federal small business assistance. NAICS 2022 provides the latest industry definitions reflecting the latest changes in industry structure in the United States.

Under the Small Business Act (Act) (15 U.S.C. 632(a)), the SBA Administrator is responsible for establishing small business size definitions and for ensuring that such definitions vary from industry to industry to reflect differences among various industries. By analyzing and reviewing size standards based on the NAICS 2022 industry definitions, SBA can more accurately and appropriately fulfill its mandate. If SBA does not use the latest industry definitions under NAICS 2022, size standards would not accurately reflect differences among industries. In addition, the Jobs Act requires SBA to review, at least every five years, all size standards and make necessary adjustments to reflect current industry and market conditions. To better serve this mandate, SBA needs to evaluate the industry data based on the latest NAICS industry definitions available.

In this final rule, SBA is generally following the same guidelines that it followed for adopting prior NAICS revisions for size standards, as spelled

out under the Supplemental Information section. SBA also analyzed the relevant industry and program data to determine the size standards for certain NAICS 2022 industries involving NAICS 2017 industries or their parts with substantially different size standards. Size standards based on NAICS 2022 industry definitions and corresponding data will serve SBA's mission more effectively.

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

As stated previously, the NAICS 2022 revision created 111 new industries by reclassifying, combining, or splitting 156 NAICS 2017 industries or their parts. Changes from NAICS 2017 to NAICS 2022 consist of mergers of 125 NAICS 2017 industries or their parts to form the 79 new industries in NAICS 2022 with impacts on size standards on a number of NAICS 2017 industries. The NAICS 2022 revision also includes 32 changes in 6-digit codes, industry titles, or descriptions without changing the size standards. SBA's size standards for these 111 new industries under NAICS 2022 have resulted in an increase to the size standards for 22 industries and 29 parts of two industries, a decrease to size standards for seven industries and 53 parts of two industries, a change in the size standard measure from average annual receipts to number of employees for one industry, a change in the size standard measure from number of employees to average annual receipts for part of one industry, and no change in size standards for 117 industries and 19 parts of seven industries. The benefits, costs, and transfer impacts of these changes are discussed below.

OMB directs agencies to establish an appropriate baseline to evaluate any benefits, costs, or transfer impacts of new regulatory actions and alternative approaches considered. The baseline should represent the agency's best assessment of what the world would look like absent the regulatory action. For a regulatory action promulgating modifications to an existing regulation (such as modifying the existing size standards), a baseline assuming no change to the regulation (*i.e.*, making no

changes to current size standards) would generally provide an appropriate benchmark for evaluating benefits, costs, or transfer impacts of proposed or final regulatory changes and their alternatives.

The Baseline

For purposes of this regulatory action, the baseline represents maintaining the "status quo," *i.e.*, making no changes to the current size standards. Using the number of small businesses and levels of small business benefits (such as set-aside contracts, SBA's loans, disaster assistance, etc.) they receive under the current size standards as a baseline, one can examine the potential benefits, costs, and transfer impacts of changes to size standards on small businesses and on the overall economy.

Based on the 2017 Economic Census data, of a total of about 880,245 firms in the 156 impacted industries under NAICS 2017, 97.9% are considered small under the current size standards under NAICS 2017.

Similarly, based on the data from FPDS-NG for fiscal years 2018–2020, about 15,400 unique firms in those 156 NAICS 2017 industries received at least one Federal contract during that period, of which 76.2% were found to be small under the current size standards.³ Of about \$18.6 billion in total average annual contract dollars awarded to businesses in the impacted industries during that period, 25.6% went to small businesses. Of about \$4.8 billion in total small business contract dollars awarded in those industries during that period, 87.1% were awarded through various set-aside programs and 12.9% were awarded through non-set aside contracts. Table 9, Baseline of Impacted Industries Under NAICS 2017, provides these baseline results.

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³ Of the 156 NAICS 2017 industries impacted in the NAICS 2022 revision, 66 industries were part of Sector 42 (Wholesale Trade) or Sector 44–45 (Retail Trade) that does not apply for Federal contracting. In the remaining 90 industries that belong to other sectors, about 15,400 unique firms got at least one Federal contract during fiscal years 2018–2020.

Table 9
Baseline of Impacted Industries Under NAICS 2017

Impact variable	Value
Number of industries impacted	156
Total firms in impacted industries (2017 Economic Census)	880,245
Total small firms in impacted industries under current size standards (2017 Economic Census)	861,503
Small firms as % of total firms (2017 Economic Census)	97.9%
Total contract dollars (\$ million) (FPDS-NG - fiscal years 2018-2020)	\$18,644
Total small business contract dollars under current standards (\$ million) (FPDS-NG - fiscal years 2018-2020)	\$4,776
Small business dollars as % of total dollars (FPDS-NG fiscal years 2018-2020)	25.6%
Total number of unique firms getting contracts (FPDS-NG fiscal years 2018-2020)	15,391
Total number of unique small firms getting small business contracts (FPDS-NG fiscal years 2018-2020)	11,727
Small business firms as % of total firms (FPDS-NG fiscal years 2018-2020)	76.2%
Number of 7(a) and Certified Development Company (CDC)/504 loans (fiscal years 2018-2020)	8,316
Amount of 7(a) and CDC/504 loans (\$ million) (fiscal years 2018-2020)	\$4,789
Number of Economic Injury Disaster Loan (EIDL) program loans (fiscal years 2018-2020) ¹	589
Amount of EIDL loans (\$ million) (fiscal years 2018-2020) ¹	\$52.6

¹Excludes COVID-19 related EIDL loans due to their temporary nature. Effective January 1, 2022, SBA stopped accepting applications for new COVID EIDL loans or advances.

Based on the SBA's internal data on its loan programs for fiscal years 2018–2020, small businesses in those 156 industries received, on an average annual basis, a total of 8,316 7(a) loans and CDC/504 loans in that period. That corresponded to about \$4.8 billion in total loan amount, of which 85.8% was issued through the 7(a) loan guarantee program and 14.2% was issued through the CDC/504 program. During fiscal years 2018–2020, small businesses in those industries also received 589 loans through the SBA's EIDL program, totaling about \$52.6 million on an annual basis.⁴

⁴The analysis of the disaster loan data excludes physical disaster loans that are available to anyone regardless of size, disaster loans issued to nonprofit entities, and EIDLs issued under the COVID–19 relief program. Effective January 1, 2022, SBA stopped accepting applications for new COVID EIDL loans or advances. Thus, the disaster loan analysis presented here pertains to the regular EIDL loans only. SBA estimates impacts of size standards

Increases to Size Standards

As stated above, SBA's size standards for the 111 new industries under NAICS 2022 have resulted in an increase to the size standards for 22 industries and 29 parts of two industries under NAICS 2017. Below are descriptions of the benefits, costs, and transfer impacts of increases to size standards.

Benefits of Increases to Size Standards

The benefits of adopting NAICS 2022 and the resulting increases to size

changes on EIDL loans by calculating the ratio of businesses getting EIDL loans to total small businesses (based on the 2017 Economic Census data) and multiplying it by the number of impacted small firms. Due to data limitations, for FY 2019–20, some loans with both physical and EIDL loan components could not be broken into the physical and EIDL loan amounts. In such cases, SBA applied the ratio of EIDL amount to total (physical loan + EIDL) amount using FY 2016–18 data to the FY 2019–20 data to obtain the amount attributable to the EIDL loans.

standards will accrue to three groups in the following ways: (1) Some businesses that are currently above their current size standards may gain small business status, thereby becoming eligible to participate in Federal small business assistance programs, including SBA's 7(a) loan program, CDC/504 loan program, EIDL program, Surety Bond Guarantee Program, and Federal procurement and business development programs intended for small businesses; (2) Growing small businesses that are close to exceeding the current size standards for their NAICS 2017 industries may retain their small business status for a longer period under the new size standards under NAICS 2022, and can continue participating in the above programs; and (3) Federal Government agencies will have a larger pool of small businesses from which to draw to fulfill their small business procurement requirements because they

will be able to define more accurately the principal purposes of their procurements under NAICS 2022 industry definitions.

The most significant benefit to businesses from increases to size standards is gaining or extending eligibility for Federal small business assistance programs. These include SBA's 7(a) loan program, CDC/504 loan program, EIDL program, Surety Bond Guarantee Program, and Federal procurement programs intended for small businesses. Federal procurement programs provide targeted, set-aside opportunities for small businesses.

These include the 8(a) Business Development (BD) program, the Historically Underutilized Business Zones (HUBZone) program, the Women-Owned Small Businesses (WOSB) program, the Economically Disadvantaged Women-Owned Small Businesses (EDWOSB) program, and the Service-Disabled Veteran-Owned Small Businesses (SDVOSB) program.

For the affected NAICS 2017 industries or their parts for which size standards have increased, based on the 2017 Economic Census data, SBA estimates that approximately 450 additional businesses would gain small

business status under the proposed size standards for 2022 NAICS industries. That represents about 0.6% of the total number of small businesses in the affected industries. SBA's size standards for new industries under NAICS 2022 would result in an increase to the small business share of total receipts in those 24 industries (*i.e.*, those with increases in size standards) from 40.7% to 45.7%. Table 10, Impacts of Increases to Size Standards for NAICS 2022 Industries, provides impacts of increasing size standards for 22 industries and 29 parts of two industries from NAICS 2017.

Table 10
Impacts of Increases to Size Standards for NAICS 2022 Industries

Impact Variable	Value
Number of industries with increases to size standards	24
Total current small businesses in industries with increases to size standards (2017 Economic Census)	80,454
Additional firms qualifying as small under standards (2017 Economic Census)	446
% of additional firms qualifying as small relative to current small businesses in industries with increases to size standards (2017 Economic Census)	0.6%
Number of current unique small firms getting small business contracts in industries with increases to size standards (FPDS-NG fiscal years 2018-2020) ¹	1,479
Additional small business firms getting small business status (FPDS-NG fiscal years 2018-2020) ¹	42
% increase to small businesses relative to current unique small firms getting small business contracts in industries with increases to size standards (FPDS-NG fiscal years 2018-2020)	2.8%
Total small business contract dollars under current standards in industries with increases to size standards (\$ million) (FPDS-NG fiscal years 2018-2020)	\$492.3
Estimated additional small business dollars available to newly-qualified small firms (using avg. dollars obligated to small businesses) (\$ million) (FPDS-NG fiscal years 2018-2020) ²	\$60.4
% increase to small business dollars relative to total small business contract dollars under current standards in industries with increases to size standards	12.3%
Total number of 7(a) and 504 loans to small business in industries with increases to size standards (fiscal years 2018-2020)	887
Total 7(a) and 504 loan amounts to small businesses in industries with increases to size standards (\$ million) (fiscal years 2018-2020)	\$316.3
Estimated number of 7(a) and 504 loans to newly qualified small firms	1
Estimated 7(a) and 504 loan amounts to newly qualified small firms (\$ million)	\$0.01
% increase to 7(a) and 504 loan amount relative to the total amount of 7(a) and 504 loans in industries with increases to size standards	0.003%
Total number of EIDL loans to small businesses in industries with increases to size standards (fiscal years 2018-2020) ³	92
Total amount of EIDL loans to small businesses in industries with increases to size standards (\$ million) (fiscal years 2018-2020) ³	\$5.9
Estimated number of EIDL loans to newly qualified small firms ³	0
Estimated EIDL loan amount to newly qualified small firms (\$ million) ³	\$0.0
% increase to EIDL loan amount relative to the total amount of disaster loans in industries with increases to size standards ³	0.0%

¹Total impact represents total unique number of firms impacted to avoid double counting as some firms are participating in more than one industry.

²Additional dollars are calculated multiplying average small business dollars obligated per Data Universal Numbering System (DUNS) times change in number of firms. Numbers of firms are calculated using the SBA current size standard, not the contracting officer's size designation.

³Excludes COVID-19 related EIDL loans due to their temporary nature. Effective January 1, 2022, SBA stopped accepting applications for new COVID EIDL loans or advances.

As shown in Table 10, based on the FPDS-NG data for fiscal years 2018–2020, SBA estimates that about 42 firms that are currently active in Federal contracting in those industries would gain small business status under the size standards for new industries under NAICS 2022. Based on the same data, SBA estimates that those newly-qualified small businesses under the size standards under NAICS 2022 could receive Federal small business contracts totaling about \$60.4 million annually. That represents a 12.3% increase to Federal small business dollars from the baseline.

The added competition from more businesses qualifying as small can result in lower prices to certain Federal Government procurements set aside or reserved for small businesses, but SBA cannot quantify this impact precisely. Costs could also be higher when full and open contracts are awarded to HUBZone businesses that receive price evaluation preferences. However, with agencies likely setting aside more contracts for small businesses in response to the availability of a larger pool of small businesses under the new size standards, HUBZone firms might receive more set-aside contracts and fewer full and open contracts, thereby resulting in some cost savings to agencies. SBA cannot estimate such costs savings as it is impossible to determine the number and value of unrestricted contracts to be otherwise awarded to HUBZone firms will be awarded as set-aside contracts for small businesses. However, such cost savings are likely to be relatively small as only a small fraction of full and open contracts are awarded to HUBZone businesses.

Under SBA's 7(a) and CDC/504 loan programs, with more businesses qualifying as small under the new size standards under NAICS 2022, SBA will be able to guarantee more loans to small businesses. However, SBA expects the impact on loans to be minimal since applicants to SBA's financial assistance programs are typically much smaller than the industry size standard and most businesses that currently participate in the program would remain eligible for assistance even after this rule is adopted. Moreover, SBA does not anticipate that the increases to size standards will have a significant impact on the distribution of firms receiving loans by size of firm. Since SBA's size standards changes primarily impact firms at the higher margin of size standards, SBA estimates the impact to its financial assistance programs by estimating the number of loans and the amount of loans to firms greater than

10% below their size thresholds. SBA believes that expanding access to SBA's financial assistance programs will help all small businesses to adapt to changes in business environment, recover from disasters more quickly, and grow successfully, while having no impact on the ability of smaller small firms to access financial services from SBA.

Based on its internal data for fiscal years 2018–2020, SBA estimates that about one additional 7(a) and CDC/504 loans, totaling approximately \$.01 million, could be made to the newly-defined small businesses under the proposed size standards under NAICS 2022. That represents a 0.003% increase to the loan amount compared to the baseline (see Table 10). The actual impact might be even smaller as the newly-qualified firms under the new size standards could have qualified anyway under the tangible net worth and net income based alternative size standard.

Newly-defined small businesses will also benefit from SBA's EIDL program, which, like SBA's 7(a) and CDC/504 loan program, typically provides loans to businesses that are much smaller than the industry size standard. Since this program is contingent on the occurrence and severity of a disaster, SBA cannot make a precise estimate of the future EIDL benefit. However, based on its internal disaster loan program data for fiscal years 2018–2020 and the amount of loans to firms greater than 10% below their size thresholds, SBA estimates that, on an annual basis, the newly-defined small businesses under the new size standards for NAICS 2022 would not be impacted.

Additionally, the newly-defined small businesses under proposed size standards under NAICS 2022 would also benefit through reduced fees, less paperwork, and fewer compliance requirements that are available to small businesses through the Federal Government programs, but SBA has no data to quantify this impact.

Costs of Increases to Size Standards

Aside from taking time to register in the System for Award Management (SAM) to be eligible to participate in Federal contracting and update the SAM profile annually, small businesses incur no direct costs to gain or retain their small business status under new size standards for NAICS 2022. All businesses willing to do business with the Federal Government must register in SAM and update their SAM profiles annually, regardless of their size status. SBA believes that a vast majority of businesses that are willing to participate in Federal contracting are already

registered in SAM and update their SAM profiles annually. It is important to point out that most business entities that are already registered in SAM will not be required to update their SAM profiles. However, it will be incumbent on registrants to review, and update as necessary, their profiles to ensure that they have the correct NAICS codes. SAM requires that registered companies review and update their profiles annually, and therefore, businesses will need to pay particular attention to the changes to determine if they might affect them. They will also have to verify, and update, if necessary, their Representations and Certifications in SAM. More importantly, this final rule does not establish the new size standards for the very first time; rather it intends to modify the existing size standards to conform to new industry definitions under NAICS 2022.

To the extent that the newly-defined small firms under NAICS 2022 could become active in Federal procurement programs, this may entail some additional administrative costs to the Federal Government because of more businesses qualifying for Federal small business programs. For example, there will be more firms seeking SBA's loans, more firms eligible for enrollment in the SBA's Dynamic Small Business Search (DSBS) database or in *certify.sba.gov*, more firms seeking certifications as 8(a) BD or HUBZone firms, or qualifying for WOSB, EDWOSB, and SDVOSB status, and more firms applying for SBA's 8(a) BD mentor-protégé program.

Among those newly-defined small businesses seeking SBA's loans, there could be some additional costs associated with verification of their small business status. However, small business lenders have an option of using the tangible net worth and net income-based alternative size standard instead of using the industry-based size standards to establish eligibility for SBA's loans. For these reasons, SBA believes that these added administrative costs will be minor because necessary mechanisms are already in place to handle these added requirements.

Additionally, some Federal contracts may possibly have higher costs. With a greater number of businesses defined as small due to new size standards under NAICS 2022, Federal agencies may choose to set aside more contracts for competition among small businesses only instead of using a full and open competition. The movement of contracts from unrestricted competition to small business set-aside contracts might result in competition among fewer total bidders, although there will be more small businesses eligible to submit

offers under the new size standards. However, any additional costs associated with fewer bidders are expected to be minor since, by law, procurements may be set aside for small businesses under the 8(a)/BD, SDB, HUBZone, WOSB, EDWOSB, or SDVOSB programs only if awards are expected to be made at fair and reasonable prices.

Costs may also be higher when full and open contracts are awarded to HUBZone businesses that receive price evaluation preferences. However, with agencies likely setting aside more contracts for small businesses in response to the availability of a larger pool of small businesses under the adopted increases to size standards, HUBZone firms might receive fewer full and open contracts, thereby resulting in some cost savings to agencies. However, such cost savings are likely to be minimal as only a small fraction of unrestricted contracts are awarded to HUBZone businesses.

Transfer Impacts of Increases to Size Standards

The new size standards for the NAICS 2022 industries may result in some redistribution of Federal contracts between the newly-qualified small businesses and large businesses and between the newly-qualified small businesses and small businesses under the current size standards. However, it would have no impact on the overall economic activity since total Federal contract dollars available for businesses to compete for will not change with changes to size standards. While SBA cannot quantify with certainty the actual outcome of the gains and losses from the redistribution of contracts among different groups of businesses, it can identify several probable impacts in qualitative terms. With the availability of a larger pool of small businesses under the increases to size standards for 22 NAICS 2017 industries and 29 parts of two industries, some unrestricted Federal contracts that would otherwise be awarded to large businesses may be set aside for small businesses. As a result, large businesses may lose some

Federal contracting opportunities. Similarly, some small businesses under the current size standards may obtain fewer set-aside contracts due to the increased competition from larger businesses qualifying as small under the new size standards for NAICS 2022 industries. This impact may be offset by a greater number of procurements being set aside for small businesses because of more businesses qualifying as small under the new size standards. With larger businesses qualifying as small under the higher size standards, smaller small businesses could face some disadvantage in competing for set-aside contracts against their larger counterparts. However, SBA cannot quantify these impacts.

Decreases to Size Standards

As stated above, SBA's size standards for the 111 new industries under NAICS 2022 have resulted in a decrease to the size standards for seven industries and 53 parts of two industries from NAICS 2017. Below are descriptions of the benefits, costs, and transfer impacts of these decreases to size standards.

Benefits of Decreases to Size Standards

The most significant benefit from decreases to size standards based on analytical results is to ensure that size standards are more reflective of latest industry structure and Federal market trends and that Federal small business assistance is more effectively targeted to its intended beneficiaries. These include SBA's 7(a) loan program, CDC/504 loan program, EIDL program, Surety Bond Guarantee Program, and Federal procurement programs. As stated previously, Federal procurement programs provide targeted, set-aside opportunities for small businesses under SBA's contracting and business development programs, such as small business, 8(a) BD, HUBZone, WOSB, EDWOSB, and SDVOSB programs. The adoption of size standards based on relevant data diminishes the risk of awarding Federal Government contracts or granting financial assistance to firms that are not small anymore. Lowering size standards would also reduce the

risk of allowing the largest and potentially dominant firms to qualify as small and become eligible for Federal assistance intended for small businesses. This may provide a better chance for smaller small firms to grow and benefit from the opportunities available on the Federal marketplace and strengthen the small business industrial base for the Federal Government.

Costs of Decreases to Size Standards

Table 11, Impacts of Decreases to Size Standards, shows the various impacts of proposing to lower size standards in seven industries and 53 parts of two industries under NAICS 2017. Based on the 2017 Economic Census, about 849 (1.9%) firms would lose their small business status under the decreases to size standards.⁵ However, many of these businesses were not found to have participated in Federal small businesses programs, including SBA's financial assistance and procurement programs, which suggests that impacts of above decreases to size standards would be fairly minimal. Similarly, based on the FPDS-NG data for fiscal years 2018–2020, SBA estimates that no small businesses participating in Federal contracting would lose their small status and become ineligible to compete for set-aside contracts. Thus, SBA believes these impacts are minimal.

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⁵ Of the 849 firms losing small business status under the size standards for new industries under NAICS 2022 structure, 808 (or 95.1%) belong to NAICS 2017 industry 454110 (Electronic Shopping and Mail-Order Houses). NAICS 454110, with a \$41.5 million size standard, was split and distributed among 42 other Retail Trade industries, resulting in a decrease to the size standard for 40 parts and no change to the size standard for one part. This would have very minimal impact on firms seeking SBA's financial assistance as firms receiving such assistance are typically much smaller than the size standard. Moreover, businesses not qualifying as small for financial assistance under the industry size standard, could still qualify under the tangible net worth and net income based alternative size standard. The reduction in size standard for NAICS 454110 would have no impact on small businesses seeking Federal contracts as that NAICS code does not apply to Federal contracting.

Table 11
Impacts of Decreases to Size Standards

Impact Variable	Value
Number of industries for which SBA decreases size standards	9
Total current small businesses in industries for which SBA decreases size standards (2017 Economic Census)	45,395
Estimated number of firms losing small status in industries for which SBA decreases size standards (2017 Economic Census)	849
% of firms losing small status relative to current small businesses in industries for which SBA decreases size standards (2017 Economic Census)	1.9%
Number of current unique small firms getting small business contracts in industries for which SBA decreases size standards (FPDS-NG FY 2018-2020) ¹	30
Estimated number of small business firms that would have lost small business status in industries for which SBA decreases size standards (FPDS-NG FY 2018-2020) ¹	0
% decrease to small business firms relative to current unique small firms getting small business contracts in industries for which SBA decreases size standards (FPDS-NG FY 2018-2020) ¹	0%

Total small business contract dollars under current size standards in industries for which SBA decreases size standards (\$ million) (FPDS-NG FY 2018-2020)	\$3.3
Estimated small business dollars not available to firms losing small business status in industries for which SBA decreases size standards (\$ million) (FPDS-NG FY 2018-2020) ²	0
% decrease to small business dollars relative to total small business contract dollars under current size standards in industries for which SBA decreases size standards	0%
Total number of 7(a) and 504 loans to small businesses in industries for which SBA decreases size standards (FY 2018-2020)	450
Total amount of 7(a) and 504 loans to small businesses in industries for which SBA decreases size standards (\$ million) (FY 2018-2020)	\$160.7
Estimated number of 7(a) and 504 loans not available to firms that would have lost small business status in industries for which SBA decreases size standards	1
Estimated 7(a) and 504 loan amount not available to firms that would have lost small status (\$ million)	\$0.001
% decrease to 7(a) and 504 loan amount relative to the total amount of 7(a) and 504 loans in industries for which SBA decreases size standards	0.0%
Total number of EIDL loans to small businesses in industries for which SBA decreases size standards (FY 2018-2020) ³	13
Total amount of EIDL loans to small businesses in industries for which SBA decreases size standards (\$ million) (FY 2018-2020) ³	\$0.6
Estimated number of EIDL loans not available to firms that would have lost small business status in industries for which SBA decreases size standards ³	0
Estimated EIDL loan amount not available to firms that would have lost small business status (\$ million) ³	\$0.0
% decrease to EIDL loan amount relative to the baseline ³	0.0%

¹Total impact represents total unique number of firms impacted to avoid double counting as some firms participate in more than one industry.

²Additional dollars are calculated multiplying average small business dollars obligated per unique small firm times change in number of firms. Numbers of firms are calculated using the SBA's current size standards, not the contracting officer's size designation.

³Excludes COVID-19 related EIDL loans due to their temporary nature. Effective January 1, 2022, SBA stopped accepting applications for new COVID EIDL loans or advances.

Transfer Impacts of Decreases to Size Standards

If the size standards are decreased, it may result in a redistribution of Federal contracts between small businesses losing their small business status and large businesses; and between small businesses losing their small business status and small businesses remaining

small under the reduced size standards. However, as under the increases to size standards, this would have no impact on the overall economic activity since the total Federal contract dollars available for businesses to compete for will stay the same. While SBA cannot estimate with certainty the actual outcome of the gains and losses among

different groups of businesses from contract redistribution resulting from decreases to size standards, it can identify several probable impacts. With a smaller pool of small businesses under the decreases to size standards, some set-aside Federal contracts to be otherwise awarded to small businesses may be competed on an unrestricted

basis. As a result, large businesses may have more Federal contracting opportunities. However, because agencies are still required by law to award 23% of Federal dollars to small businesses, SBA expects the movement of set-aside contracts to unrestricted competition to be limited. For the same reason, small businesses under the reduced size standards are likely to obtain more set-aside contracts due to the reduced competition from fewer businesses qualifying as small under the decreases to size standards. With some larger small businesses losing small business status under the decreases to

size standards, smaller small businesses would likely become more competitive in obtaining set-aside contracts. However, SBA cannot quantify these impacts.

Net Impacts of Size Standards Changes

The impacts of the increases of size standards for 22 industries and 29 parts of two industries were shown in Table 10 (above). Similarly, the impacts of decreases of size standards for seven industries and 53 parts of two industries were presented in Table 11 (above). Table 12, Net Impacts of Size Standards Changes, below, presents the net

impacts of changes to size standards for 29 industries and 82 parts of four industries.

Based on the 2017 Economic Census, SBA estimates that when moving from NAICS 2017 to NAICS 2022, 29 industries and 82 parts of four industries resulted in size standard changes. About 403 firms (almost all in NAICS 2017 industry 454110) would not qualify as small under the new size standards for NAICS 2022 industries. That represents about 0.3% of all firms classified as small in those industries and industry parts under the current size standards.

Table 12
Net Impacts of Size Standards Changes

Impact Variable	Value
Number of industries or industry parts with changes to size standards	33
Total number of small firms under the current size standards in industries with changes to size standards (2017 Economic Census)	125,850
Additional number of firms qualifying as small under size standards changes (2017 Economic Census)	-403
% of additional firms qualifying as small relative to total current small firms (2017 Economic Census)	-0.3%
Number of current unique small firms getting small business contracts in industries with changes to size standards (FPDS-NG FY 2018-2020) ¹	1,509
Additional number of unique small firms gaining small business status in industries with changes to size standards (FPDS-NG FY 2018-2020) ¹	42
% increase to small firms relative to current unique small firms gaining small business status (FPDS-NG FY 2018-2020)	2.8%

Total small business contract dollars under current size standards in industries with changes to size standards (\$ million) (FPDS-NG FY 2018-2020)	\$495.6
Estimated small business dollars available to newly qualified small firms (\$ million) (FPDS-NG FY 2018-2020) ²	\$60.4
% increase to dollars relative to total small business contract dollars under current size standards	12.2%
Total number of 7(a) and 504 loans to small businesses in industries with changes to size standards (FY 2018-2020)	1,337
Additional number of 7(a) and 504 loans to small businesses in industries with changes to size standards (FY 2018-2020)	0
% of additional 7(a) and 504 loans to small businesses in industries with changes to size standards	0.0%
Total amount of 7(a) and 504 loans to small businesses in industries with changes to size standards (\$ million) (FY 2018-2020)	\$477.0
Estimated additional 7(a) and 504 loan amount to newly-qualified small firms (\$ million)	\$0.0
% increase to 7(a) and 504 loan amount relative to the total amount of 7(a) and 504 loans to small businesses	0.0%
Total number of EIDL loans to small businesses in industries with changes to size standards (FY 2018-2020) ³	105
Estimated number of additional EIDL loans to newly-qualified small firms (FY 2018-2020) ³	0
% of additional EIDL loans to small businesses in industries with changes to size standards	0.0%
Total amount of EIDL loans to small businesses in industries with changes to size standards (\$ million) (FY 2018-2020) ³	\$6.5
Estimated additional EIDL loan amount to newly-qualified small firms (\$ million) ³ (FY2018-2020)	\$0.0
% increase to EIDL loan amount relative to the total amount of disaster loans to small businesses ³	0.0%

¹Total impact represents total unique number of firms impacted to avoid double counting as some firms participate in more than one industry.

²Additional dollars are calculated multiplying average small business dollars obligated per unique firm times change in number of firms. Numbers of firms are calculated using the SBA's current size standards, not the contracting officer's size designation.

³Excludes COVID-19 related EIDL loans due to their temporary nature. Effective January 1, 2022, SBA stopped accepting applications for new COVID EIDL loans or advances.

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Based on the FPDS-NG data for fiscal years 2018-2020, SBA estimates that about 42 unique active firms in Federal contracting in those industries would gain their small business status under

the changes to size standards, most of them in Sector 31-33 (Manufacturing). This represents an increase of about 2.8% of the total number of small businesses participating in Federal

contracting under the current size standards. Based on the same data, SBA estimates that about \$60.4 million of Federal procurement dollars would become available to all small firms,

including those gaining small status. This represents an increase of 12.2% from the baseline. SBA estimates that the dollars obligated to small businesses will increase despite a reduction in the total number of small firms because the contract dollars to newly-qualified small businesses in sectors with increases to size standards is higher than the contract dollars to small businesses losing small business status in sectors with decreases to size standards.

Based on the SBA's loan data for fiscal years 2018–2020, the total number of 7(a) and CDC/504 loans will not be impacted, and the loan amount may increase slightly since the average loan value to firms with increases to size standards is higher than the average loan value to firms with decreases to size standards.

Firms' participation under the SBA's EIDL program will be affected as well. Since the benefit provided through this program is contingent on the occurrence and severity of a disaster in the future, SBA cannot make a meaningful estimate of this impact. However, based on the disaster loan program data for fiscal years 2018–2020, SBA estimates that the total number of EIDL loans and the loan amount will not be impacted.

3. What alternatives have been considered?

As stated previously, as an alternative to adopting new size standards for NAICS 2022 industries, SBA considered retaining NAICS 2017 as the basis of industry definitions for its small business size standards. That would, however, lead to inconsistencies between SBA's size standards and establishment data published by Federal agencies that will adopt NAICS 2022 for their statistical and other data collection programs. OMB stated in its December 21, 2021, notice that "Federal statistical establishment data published for reference years beginning on or after January 1, 2022, should be published using the 2022 NAICS United States codes." SBA is not a statistical agency, but it uses for its size standards analyses establishment data collected by other Federal agencies, such as the Economic Census data and County Business Patterns from the U.S. Census Bureau. If SBA continues using NAICS 2017 for its size standards, it will not be able to analyze and evaluate industry structure adequately and accurately and adjust small business size standards appropriately because the forthcoming Economic Census and County Business Patterns data based on NAICS 2022 will not be compatible with NAICS 2017 industry definitions. That would run counter to the Jobs Act mandate that requires SBA to review all size

standards and adjust them appropriately to reflect the current industry structure and market conditions every five years.

To establish, review, or revise, where necessary, small business size standards, SBA uses special tabulations of industry data that it obtains from the U.S. Census Bureau based on its Economic Census of U.S. industries and businesses, and establishment data from its County Business Patterns (CBP). Because the 2022 Economic Census and CBP data will be based on NAICS 2022 industry definitions, it is imperative that SBA also use NAICS 2022 as the basis of industry definitions for its table of small business size standards.

Congressional Review Act

Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (codified at 5 U.S.C. 801–808), also known as the Congressional Review Act or CRA, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. SBA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States. A major rule under the CRA cannot take effect until 60 days after it is published in the **Federal Register**. OMB's Office of Information and Regulatory Affairs has determined that this rule is not a "major rule" as defined by 5 U.S.C. 804(2).

Final Regulatory Flexibility Analysis

Under the Regulatory Flexibility Act (RFA), this final rule may have a significant impact on a substantial number of small businesses in some industries whose size standards have been changed as a result of adopting NAICS 2022 for size standards. As described above, this rule may affect small businesses applying for Federal Government contracts, loans under SBA's 7(a), 504, and EIDL Programs, and assistance under other Federal small business programs.

Immediately below, SBA sets forth a final regulatory flexibility analysis (FRFA) of this final rule addressing the following questions: (1) What are the need for and objectives of the rule?; (2) What are SBA's description and estimate of the number of small businesses to which the rule will apply?; (3) What are the projected reporting, record keeping, and other compliance requirements of the rule?;

(4) What are the relevant Federal rules that may duplicate, overlap, or conflict

with the rule?; and (5) What alternatives will allow the Agency to accomplish its regulatory objectives while minimizing the impact on small businesses?

1. What are the need for and objective of the rule?

The Small Business Act requires that small business size standards vary from industry to industry reflecting the differing characteristics of the various industries. SBA uses the latest NAICS as a basis of industries definitions for its table of size standards. As part of its five-year review of and revisions to NAICS industry definitions, OMB published its latest NAICS revision, NAICS 2022, on December 21, 2021. According to the OMB's notice, Federal establishment and industry data for reference years beginning on or after January 1, 2022, should be published using NAICS 2022. This rule amends SBA's small business size regulations to incorporate NAICS 2022 into its table of size standards. This not only makes SBA's size standards more reflective of the latest industry differences but also makes them more consistent with latest industry data the Agency uses to establish, review or adjust size standards. Updating size standards to the latest industry definitions also serves the SBA's mandate to review all size standards and make appropriate adjustments to reflect market conditions under the Jobs Act.

2. What are SBA's description and estimate of the number of small businesses to which the rule will apply?

With the update of size standards to the latest industry definitions under NAICS 2022, Federal small business assistance is more effectively targeted to its intended beneficiaries. The NAICS 2022 revision created 111 new industries by reclassifying, combining, or splitting 156 NAICS 2017 industries or their parts. SBA's size standards for these 111 new industries under NAICS 2022 will result in an increase to the size standards for 22 industries and 29 parts of two industries under NAICS 2017, a decrease to size standards for seven industries and 53 parts of two industries, a change in the size standard measure from average annual receipts to number of employees for one industry, a change in the size standard measure from number of employees to average annual receipts for a part of one industry, and no change in size standards for 117 industries and 19 parts of seven industries. In 22 industries and 29 parts of two industries whose size standards would increase due to the adoption of NAICS 2022, nearly 450 firms above the current size standards would qualify as small under the updated size standards, thereby

making them eligible for Federal small business assistance programs. Based on the data for fiscal years 2018–2020, SBA estimates that approximately \$60.0 million in Federal contracts and about \$100,000 in SBA 7(a) and 504 loans could be awarded to the newly defined small businesses under the updated size standards. The updated size standards would enable advanced small businesses to maintain their small business size status for a longer period and some mid-size businesses (*i.e.*, businesses that have just exceeded the size thresholds) regain their small business status. In the seven NAICS 2017 industries and 53 parts of two industries for which size standards will decrease as a result of adoption of NAICS 2022, 849 firms below the current size standards would lose their small business size status under the proposed size standards. However, the program data suggests that this would cause no impact on them in terms of access to Federal contracting and SBA's loans programs. Currently, they are not participating in any small business programs.

3. What are the projected reporting, record keeping and other compliance requirements of the rule?

The size standard changes due to the adoption of NAICS 2022 impose no additional reporting or record keeping requirements on small businesses. However, qualifying for Federal small business contracting and other programs may require businesses to register in SAM and recertify in SAM that they are small at least once annually. Therefore, the newly qualified small businesses opting to participate in those programs must comply with SAM requirements. There are minimal costs associated with SAM registration and annual recertification, but this final rule does not impose any new costs in this area. Changing size standards alters the access to SBA's financial and other Federal programs that assist small businesses but does not impose a regulatory burden because they neither regulate nor control business behavior.

4. What are the relevant Federal rules, which may duplicate, overlap, or conflict with the rule?

Under section 3(a)(2)(C) of the Small Business Act, 15 U.S.C. 632(a)(2)(c), Federal agencies must generally use SBA's size standards to define a small business, unless specifically authorized by statute to do otherwise. 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 (November 24, 1995)). An

agency may establish for its programs a size standard that is different from those established by SBA if approved by SBA's Administrator in accordance with 13 CFR 121.903. SBA is not aware of any Federal rule that would duplicate or conflict with establishing or updating size standards.

However, the Small Business Act and SBA's regulations allow Federal agencies to develop different size standards if they believe that SBA's size standards are not appropriate for their programs, with the approval of SBA's Administrator (13 CFR 121.903). The RFA authorizes a Federal agency to establish an alternative small business definition, after consultation with the Office of Advocacy of the U.S. Small Business Administration (5 U.S.C. 601(3)).

5. What alternatives will allow the Agency to accomplish its regulatory objectives while minimizing the impact on small entities?

By law, SBA is required to develop numerical size standards for establishing eligibility for Federal small business assistance programs. Other than varying levels of size standards by industry and changing the size measures, no practical alternative exists to the systems of numerical size standards. As stated previously, SBA considered continuing to use NAICS 2017 as a basis of industry definitions for its table of size standards. However, that would render SBA's table of size standards incompatible with Federal industry and establishment statistics and other databases when evaluating industry characteristics to ensure size standards are reflective of current industry structure and market conditions.

Executive Order 13563

A description of the need for this proposed regulatory action and benefits and costs associated with this action including possible distribution impacts that relate to Executive Order 13563 are included above in the Cost Benefit Analysis.

To engage interested parties in this action, SBA reached out to all Federal agencies advising them that the Agency plans to update its table of size standards to NAICS 2022, effective October 1, 2022, and that agencies must continue using the current size standards until that date. Adopting the updated size standards on October 1, 2022, is consistent with SBA's adoptions of previous NAICS revisions at the beginning of the new fiscal year following the OMB's January 1 effective date of NAICS revisions for Federal statistical agencies.

Unlike the most previous NAICS revisions which SBA adopted for its size standards either through a direct final rule or through an interim final rule, for the adoption of NAICS 2022 revision, SBA issued this proposed rule and sought comments to better engage the public in the process. SBA received two comments during the comment period which SBA has summarized and discussed above in the Discussion of Comments section. SBA also updated the size standards web page at www.sba.gov/size, asking interested parties to comment on the rule. SBA thoroughly considered all public comments when developing this final rule.

Executive Order 12988

This action meets applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden. The action does not have retroactive or preemptive effect.

Executive Order 13132

For purposes of Executive Order 13132, SBA has determined that this final rule will not have substantial, direct effects on the States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, SBA has determined that this final rule has no federalism implications warranting preparation of a federalism assessment.

Paperwork Reduction Act

For the purpose of the Paperwork Reduction Act, 44 U.S.C. Ch. 35, SBA has determined that this final rule would not impose any new reporting or record keeping requirements.

List of Subjects in 13 CFR Part 121

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

For the reasons set forth in the preamble, SBA amends 13 CFR part 121 as follows:

PART 121—SMALL BUSINESS SIZE REGULATIONS

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

Authority: 15 U.S.C. 632, 634(b)(6), 636(a)(36), 662, 694a(9), and 9012.

- 2. In § 121.201, amend the table, “Small Business Size Standards by NAICS Industry” as follows:
- a. Remove the entries for 212111, 212112, and 212113;
- b. Add entries for 212114, 212115, and 212220 in numerical order;
- c. Remove the entries for 212221 and 212222;
- d. Add an entry for 212290 in numerical order;
- e. Remove the entries for 212291 and 212299;
- f. Add an entry for 212323 in numerical order;
- g. Remove the entries for 212324 and 212325;
- h. Add an entry for 212390 in numerical order;
- i. Remove the entries for 212391, 212392, 212393, and 212399;
- j. Revise entry 311221;
- k. Remove the entry for 315110;
- l. Add an entry for 315120 in numerical order;
- m. Remove the entries for 315190, 315220, and 315240;
- n. Add an entry for 315250 in numerical order;
- o. Remove the entry for 315280;
- p. Add an entry for 316990 in numerical order;
- q. Remove the entries for 316992, 316998, 321213, and 321214;
- r. Add entries for 321215 and 322120 in numerical order;
- s. Remove the entries for 322121 and 322122;
- t. Add an entry for 325315 in numerical order;
- u. Revise entry 325992;
- v. Remove the entry for 333244;
- w. Add an entry for 333248 in numerical order;
- x. Remove the entry for 333249;
- y. Add an entry for 333310 in numerical order;
- z. Remove the entries for 333314, 333316, 333318, and 333997;

- aa. Add an entry for 333998 in numerical order;
- bb. Remove the entry for 333999;
- cc. Add an entry for 334610 in numerical order;
- dd. Remove the entries for 334613, 334614, 335110, 335121, 335122, and 335129.
- ee. Add entries for 335131, 335132, 335139, and 335910 in numerical order;
- ff. Remove the entries for 335911 and 335912;
- gg. Add an entry for 336110 in numerical order;
- hh. Remove the entries for 336111, 336112, 337124, and 337125;
- ii. Add an entry for 337126 in numerical order;
- jj. Remove the entries for 424320 and 424330;
- kk. Add an entry for 424350 in numerical order;
- ll. Revise entry 424940 and the heading for Subsector 425;
- mm. Remove the entry for 425110;
- nn. Add an entry for 441227 in numerical order;
- oo. Remove the entries for 441228, 441310, and 441320;
- pp. Add entries for 441330 and 441340 in numerical order;
- qq. Remove Subsectors 442 and 443;
- rr. Revise entry 444120;
- ss. Remove the entry for 444130;
- tt. Add entries for 444140 and 444180 in numerical order;
- uu. Remove the entries for 444190, 444210, and 444220;
- vv. Add entries for 444230 and 444240 in numerical order;
- ww. Revise Subsector 445;
- xx. Remove Subsectors 446, 447, and 448;
- yy. Add Subsector 449 in numerical order;
- zz. Remove Subsectors 451, 452, 453, and 454;
- aaa. Add Subsectors 455, 456, 457, 458, and 459 in numerical order;

- bbb. Revise entry 485310;
- ccc. Remove Subsector 511;
- ddd. Add Subsector 513 in numerical order;
- eee. Remove Subsector 515;
- fff. Add Subsector 516 in numerical order;
- ggg. Revise Subsectors 517, 518, and 519;
- hhh. Remove the entry for 522120;
- iii. Add an entry for 522180 in numerical order;
- jjj. Remove the entries for 522190, 522293, 522294, and 522298;
- kkk. Add an entry for 522299 in numerical order;
- lll. Remove the entries for 523110, 523120, 523130, and 523140;
- mmm. Add entries for 523150 and 523160 in numerical order;
- nnn. Remove the entries for 523920 and 523930;
- ooo. Add an entry for 523940 in numerical order;
- ppp. Revise entries for 524292, 541380, 541850, 561611, and 624410;
- qq. Remove the entries for 811112 and 811113;
- rrr. Add an entry for 811114 in numerical order;
- sss. Remove the entry for 811118;
- ttt. Add an entry for 811210 in numerical order;
- uuu. Remove the entries for 811211, 811212, 811213, and 811219; and
- vvv. Revise footnotes 8 and 15 at the end of the table.

The additions and revisions read as follows:

§ 121.201 What size standards has SBA identified by North American U.S. 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
*	*	*	*
Sector 21—Mining, Quarrying, and Oil and Gas Extraction			
*	*	*	*
Subsector 212—Mining (except Oil and Gas)			
212114	Surface Coal Mining		1,250
212115	Underground Coal Mining		1,500
*	*	*	*
212220	Gold Ore and Silver Ore Mining		1,500

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
* * * * *			
212290	Other Metal Ore Mining		750
* * * * *			
212323	Kaolin, Clay, and Ceramic and Refractory Minerals Mining		500
212390	Other Nonmetallic Mineral Mining and Quarrying		500
* * * * *			
Sectors 31–33—Manufacturing			
Subsector 311—Food Manufacturing			
* * * * *			
311221	Wet Corn Milling and Starch Manufacturing		1,250
* * * * *			
Subsector 315—Apparel Manufacturing			
315120	Apparel Knitting Mills		750
* * * * *			
315250	Cut and Sew Apparel Manufacturing (except Contractors)		750
* * * * *			
Subsector 316—Leather and Allied Product Manufacturing			
* * * * *			
316990	Other Leather and Allied Product Manufacturing		500
* * * * *			
Subsector 321—Wood Product Manufacturing			
* * * * *			
321215	Engineered Wood Member Manufacturing		500
* * * * *			
Subsector 322—Paper Manufacturing			
* * * * *			
322120	Paper Mills		1,250
* * * * *			
Subsector 325—Chemical Manufacturing			
* * * * *			
325315	Compost Manufacturing		500
* * * * *			
325992	Photographic Film, Paper, Plate, Chemical, and Copy Toner Manufacturing		1,500
* * * * *			
Subsector 333—Machinery Manufacturing⁶			
* * * * *			
333248	All Other Industrial Machinery Manufacturing		750
333310	Commercial and Service Industry Machinery Manufacturing		1,000

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
333998	All Other Miscellaneous General Purpose Machinery Manufacturing		500
Subsector 334—Computer and Electronic Product Manufacturing⁶			
334610	Manufacturing and Reproducing Magnetic and Optical Media		1,250
Subsector 335—Electrical Equipment, Appliance and Component Manufacturing⁶			
335131	Residential Electric Lighting Fixture Manufacturing		750
335132	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing		500
335139	Electric Lamp Bulb and Other Lighting Equipment Manufacturing		1,250
335910	Battery Manufacturing		1,250
Subsector 336—Transportation Equipment Manufacturing⁶			
336110	Automobile and Light Duty Motor Vehicle Manufacturing		1,500
Subsector 337—Furniture and Related Product Manufacturing			
337126	Household Furniture (except Wood and Upholstered) Manufacturing		750
Sector 42—Wholesale Trade			
Subsector 424—Merchant Wholesalers, Nondurable Goods			
424350	Clothing and Clothing Accessories Merchant Wholesalers		150
424940	Tobacco Product and Electronic Cigarette Merchant Wholesalers		250
Subsector 425—Wholesale Trade Agents and Brokers			
Sector 44–45—Retail Trade			
Subsector 441—Motor Vehicles and Parts Dealers			
441227	Motorcycle, ATV, and All Other Motor Vehicle Dealers	\$35.0	
441330	Automotive Parts and Accessories Retailers	25.0	
441340	Tire Dealers	22.5	

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
Subsector 444—Building Material and Garden Equipment and Supplies Dealers			
444120	Paint and Wallpaper Retailers	30.0	*
444140	Hardware Retailers	14.5	
444180	Other Building Material Dealers	22.0	
444230	Outdoor Power Equipment Retailers	8.5	
444240	Nursery, Garden Center, and Farm Supply Retailers	19.0	
Subsector 445—Food and Beverage Retailers			
445110	Supermarkets and Other Grocery Retailers (except Convenience Retailers)	35.0	
445131	Convenience Retailers	32.0	
445132	Vending Machine Operators	18.5	
445230	Fruit and Vegetable Retailers	8.0	
445240	Meat Retailers	8.0	
445250	Fish and Seafood Retailers	8.0	
445291	Baked Goods Retailers	14.0	
445292	Confectionery and Nut Retailers	17.0	
445298	All Other Specialty Food Retailers	9.0	
445320	Beer, Wine, and Liquor Retailers	9.0	
Subsector 449—Furniture, Home Furnishings, Electronics, and Appliance Retailers			
449110	Furniture Retailers	22.0	
449121	Floor Covering Retailers	8.0	
449122	Window Treatment Retailers	10.0	
449129	All Other Home Furnishings Retailers	29.5	
449210	Electronics and Appliance Retailers	35.0	
Subsector 455—General Merchandise Retailers			
455110	Department Stores	35.0	
455211	Warehouse Clubs and Supercenters	41.5	
455219	All Other General Merchandise Retailers	35.0	
Subsector 456—Health and Personal Care Retailers			
456110	Pharmacies and Drug Retailers	33.0	
456120	Cosmetics, Beauty Supplies, and Perfume Retailers	30.0	
456130	Optical Goods Retailers	26.0	
456191	Food (Health) Supplement Retailers	20.0	
456199	All Other Health and Personal Care Retailers	8.5	
Subsector 457—Gasoline Stations and Fuel Dealers			
457110	Gasoline Stations with Convenience Stores	32.0	
457120	Other Gasoline Stations	29.5	
457210	Fuel Dealers		100
Subsector 458—Clothing, Clothing Accessories, Shoe, and Jewelry Retailers			
458110	Clothing and Clothing Accessories Retailers	41.5	
458210	Shoe Retailers	30.0	
458310	Jewelry Retailers	18.0	
458320	Luggage and Leather Goods Retailers	33.5	
Subsector 459—Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers			
459110	Sporting Goods Retailers	23.5	
459120	Hobby, Toy, and Game Retailers	31.0	
459130	Sewing, Needlework, and Piece Goods Retailers	30.0	
459140	Musical Instrument and Supplies Retailers	20.0	
459210	Book Retailers and News Dealers	31.5	
459310	Florists	8.0	
459410	Office Supplies and Stationery Retailers	35.0	
459420	Gift, Novelty, and Souvenir Retailers	12.0	
459510	Used Merchandise Retailers	12.5	
459910	Pet and Pet Supplies Retailers	28.0	
459920	Art Dealers	14.5	

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
459930	Manufactured (Mobile) Home Dealers	16.5 .....	.....
459991	Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers	10.0 .....	.....
459999	All Other Miscellaneous Retailers	10.0 .....	.....
Sectors 48–49—Transportation and Warehousing			
* * * * *			
Subsector 485—Transit and Ground Passenger Transportation			
* * * * *			
485310	Taxi and Ridesharing Services	16.5 .....	.....
* * * * *			
Sector 51—Information			
* * * * *			
Subsector 513—Publishing Industries			
513110	Newspaper Publishers .....	.....	1,000
513120	Periodical Publishers .....	.....	1,000
513130	Book Publishers .....	.....	1,000
513140	Directory and Mailing List Publishers .....	.....	1,000
513191	Greeting Card Publishers .....	.....	1,000
513199	All Other Publishers .....	.....	1,000
513210	Software Publishers ¹⁵	¹⁵ 41.5 .....	.....
Subsector 516—Broadcasting and Content Providers			
516110	Radio Broadcasting Stations	41.5 .....	.....
516120	Television Broadcasting Stations	41.5 .....	.....
516210	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers.	41.5 .....	.....
Subsector 517—Telecommunications			
517111	Wired Telecommunications Carriers .....	.....	1,500
517112	Wireless Telecommunications Carriers (except Satellite) .....	.....	1,500
517121	Telecommunications Resellers .....	.....	1,500
517122	Agents for Wireless Telecommunications Services .....	.....	1,500
517410	Satellite Communications	38.5 .....	.....
517810	All Other Telecommunications	35.0 .....	.....
Subsector 518—Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services			
518210	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services.	35.0 .....	.....
Subsector 519—Web Search Portals, Libraries, Archives, and Other Information Services			
519210	Libraries and Archives	18.5 .....	.....
519290	Web Search Portals and All Other Information Services .....	.....	1,000
Sector 52—Finance and Insurance			
Subsector 522—Credit Intermediation and Related Activities			
* * * * *			
522180	Savings Institutions and Other Depository Credit Intermediation ⁸	750.0 million in average assets ⁸ .....	.....
* * * * *			
522299	International, Secondary Market, and All Other Nondepository Credit Intermediation	41.5 .....	.....

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
*	*	*	*
Subsector 523—Securities, Commodity Contracts, and Other Financial Investments and Related Activities			
523150	Investment Banking and Securities Intermediation	41.5	
523160	Commodity Contracts Intermediation	41.5	
*	*	*	*
523940	Portfolio Management and Investment Advice	41.5	
*	*	*	*
Subsector 524—Insurance Carriers and Related Activities			
*	*	*	*
524292	Pharmacy Benefit Management and Other Third-Party Administration of Insurance and Pension Funds.	40.0	
*	*	*	*
Sector 54—Professional, Scientific and Technical Services			
Subsector 541—Professional, Scientific and Technical Services			
*	*	*	*
541380	Testing Laboratories and Services	16.5	
*	*	*	*
541850	Indoor and Outdoor Display Advertising	30.5	
*	*	*	*
Sector 56—Administrative and Support and Waste Management and Remediation Services			
Subsector 561—Administrative and Support Services			
*	*	*	*
561611	Investigation and Personal Background Check Services	22.0	
*	*	*	*
Sector 62—Health Care and Social Assistance			
Subsector 624—Social Assistance			
*	*	*	*
624410	Child Care Services	8.5	
*	*	*	*
Sector 81—Other Services (Except Public Administration)			
Subsector 811—Repair and Maintenance			
*	*	*	*
811114	Specialized Automotive Repair	8.0	
*	*	*	*
811210	Electronic and Precision Equipment Repair and Maintenance	30.0	
*	*	*	*
Footnotes	*	*	*

6. *NAICS Subsectors 333, 334, 335 and 336*—For rebuilding machinery or equipment on a factory basis, or equivalent, use the NAICS code for a newly manufactured product. Concerns performing major rebuilding or overhaul activities do not necessarily have to meet the criteria for being a “manufacturer” although the activities may be classified under a manufacturing NAICS code. Ordinary repair services or preservation are not considered rebuilding.

8. *NAICS Codes 522110, 522130, 522180, and 522210*—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 041 call report form for NAICS codes 522110, 522180, and 522210 and the National Credit Union Administration 5300 call report form for NAICS code 522130.

15. *NAICS code 513210*—For purposes of Government procurement, the purchase of software subject to potential waiver of the nonmanufacturer rule pursuant to § 121.1203(d) should be classified under this NAICS code.

Isabella Casillas Guzman,

Administrator.

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