



Federal Register

**Monday,
December 3, 2001**

Part XLIII

Small Business Administration

Semiannual Regulatory Agenda

SMALL BUSINESS ADMINISTRATION (SBA)

SMALL BUSINESS ADMINISTRATION

13 CFR Ch. I

Improving Government Regulations; Semiannual Regulatory Agenda

AGENCY: Small Business Administration (SBA).

ACTION: Semiannual regulatory agenda.

SUMMARY: The entries below represent SBA's 45th semiannual regulatory agenda (agenda). SBA drafted the agenda to meet both the criteria and the spirit of the regulatory review process. SBA publishes this agenda pursuant to Executive Order 12866 and the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*

FOR FURTHER INFORMATION CONTACT: For further information on agenda items, SBA encourages the public to contact the individual agency official referenced in each entry. For information

concerning SBA's overall Regulatory Review and Development Program or general semiannual agenda questions, contact Martin S. Conrey, Attorney Advisor, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416, (202) 619-0638.

SUPPLEMENTARY INFORMATION: SBA's semiannual regulatory agenda is designed to increase public knowledge of SBA's anticipated regulatory activities. Publication may encourage increased public participation in the regulatory review and development process.

SBA's agenda is divided into three parts. Part I, Proposed Rules, includes those rules that are likely to be proposed during the next 12 months. Part II, Final Rules, includes proposed rules that will probably be finalized during the agenda period. Part III, Completed Actions, includes regulations completed or withdrawn and any reviews completed since the preceding agenda.

Publication of the agenda does not impose any binding obligation on SBA with regard to any specific item. Further, regulatory actions not listed in the agenda are not precluded. SBA regulations are developed in a manner that promotes economic growth without imposing unnecessary regulatory burdens on the public.

For this edition of SBA's regulatory agenda, the most important significant regulatory actions are included in The Regulatory Plan, which appears in part II of this issue of the **Federal Register**. The Regulatory Plan entries are listed in the table of contents below and are denoted by a bracketed bold reference, which directs the reader to the appropriate sequence number in part II.

Dated: August 28, 2001.

Hector V. Barreto,
Administrator.

Small Business Administration—Prerule Stage

Sequence Number	Title	Regulation Identification Number
4033	Surety Bond Guarantee	3245-AE13
4034	Development Company Loan (504) Program Changes	3245-AE41

Small Business Administration—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
4035	Supplemental Standards of Ethical Conduct for Employees of the Small Business Administration	3245-AC96
4036	Record Disclosure and Privacy Regulations	3245-AE03
4037	Small Business Development Centers (SBDC) Program Revisions	3245-AE05
4038	Small Business Lending Companies Regulations (Reg Plan Seq No. 152)	3245-AE14
4039	Small Business Size Standards; Electric Services	3245-AE18
4040	8(a) Business Development/Program Improvement and Technical Amendments	3245-AE38
4041	SDB Certification and Eligibility—Program Improvement and Technical Amendments	3245-AE47
4042	Size Standards: Inflation Adjustment	3245-AE56
4043	Size Standards: Subcontracting Size Standards	3245-AE57
4044	Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)	3245-AE61
4045	The Women-Owned Small Business Federal Contract Assistance Program (Reg Plan Seq No. 153)	3245-AE65
4046	HUBZone Empowerment Contracting Program (Reg Plan Seq No. 154)	3245-AE66
4047	Small Business Investment Companies—Civil Penalties for Late Submission of Required Reports	3245-AE69
4048	Small Business Investment Companies—Amendment Under the Small Business Reauthorization Act of 2000	3245-AE70
4049	Rules of Procedure Governing Cases Before the Office of Hearings and Appeals—Revisions	3245-AE71
4050	Small Business Size Regulations; Small Business Innovation Research Program	3245-AE76
4051	Small Business Size Standards; Testing Laboratories	3245-AE78
4052	SBIC—Maximum Leverage Eligibility	3245-AE79
4053	Small Business Size Standards; Information Technology Value Added Resellers	3245-AE80
4054	Small Business Size Standards; Surety Bond Guarantee Program	3245-AE81

References in boldface appear in the **Regulatory Plan** in part II of this issue of the **Federal Register**.

SBA

Small Business Administration—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
4055	Size Standards for Compliance With Programs of Other Agencies	3245-AE42
4056	Pre-Disaster Mitigation Loan Program Amendments	3245-AE44
4057	Administrative Wage Garnishment and Administrative Offset	3245-AE50
4058	Nondiscrimination on the Basis of Race, Color, National Origin, Handicap, and Age in Programs or Activities Receiving Federal Financial Assistance	3245-AE59
4059	7(a) and Certified Development Company (504) Loan Programs—2000 Reauthorization Act Amendments	3245-AE68

Small Business Administration—Completed Actions

Sequence Number	Title	Regulation Identification Number
4060	Amendment to SBA's Regulations Regarding Debt Collection Through Offset	3245-AD90
4061	PLP Lenders' Responsibilities for Servicing and Liquidating Loans	3245-AE09
4062	Servicing of Guaranteed Loans	3245-AE10
4063	Small Business Size Standards; Net Income Computation for the Small Business Investment and Certified Development Companies and Agriculture Size Standard	3245-AE29
4064	New Markets Venture Capital Program	3245-AE40
4065	Military Reservist Economic Injury Disaster Loan Program	3245-AE45
4066	Microloan Program—Changes Required by the 1997 Reauthorization Act	3245-AE51
4067	PRIME Act Grants	3245-AE52
4068	Microloan Program 2000 Amendments	3245-AE73
4069	Surety Bond Guarantee Program—2000 Amendments	3245-AE74

Small Business Administration (SBA)

Prerule Stage

4033. SURETY BOND GUARANTEE

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC app 3; 15 USC 687b; 15 USC 694b; PL 105-135; 15 USC 687c; 15 USC 694a

CFR Citation: 13 CFR 115

Legal Deadline: None

Abstract: SBA is considering revising program regulations to include policy and procedural modifications. Planned regulatory changes would pertain to both the Prior Approval and the Preferred Surety Bond programs.

Timetable:

Action	Date	FR Cite
ANPRM	03/00/02	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Robert J. Moffitt, AA/Office of Surety Guarantees, Small

Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6540

RIN: 3245-AE13

4034. DEVELOPMENT COMPANY LOAN (504) PROGRAM CHANGES

Priority: Other Significant. Major status under 5 USC 801 is undetermined.

Legal Authority: 15 USC 695

CFR Citation: 13 CFR 120

Legal Deadline: None

Abstract: The Office of Financial Assistance proposes to publish an Advanced Notice of Proposed Rulemaking to solicit opinions regarding our intention to propose a regulation to consider 504 program changes including a better definition of "local economic development," and the organizational and program requirements Certified Development Companies (CDCs) must satisfy in order

to be in compliance with this concept, and whether CDCs should be allowed to establish entities to participate as 7(a) lenders. As part of the regulation, for-profit CDCs' organizational requirements will be dealt with specifically to ensure that they are in compliance with the Congressional intent for the program.

Timetable:

Action	Date	FR Cite
ANPRM	12/00/01	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: Undetermined

Agency Contact: Gail Hepler, Chief, 504 Branch, Small Business Administration, Room 804, 409 Third Street SW, Washington, DC 20416
Phone: 202 653-7530

RIN: 3245-AE41

Small Business Administration (SBA)

Proposed Rule Stage

4035. SUPPLEMENTAL STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE SMALL BUSINESS ADMINISTRATION**Priority:** Other Significant**Legal Authority:** 15 USC 684; 15 USC 637(a)(18); 15 USC 637(a)(19); EO 12674**CFR Citation:** 5 CFR 5400**Legal Deadline:** None

Abstract: The SBA and the Office of Government Ethics (OGE) are jointly issuing this rule, which is designed to establish uniform standards of ethical conduct for the officers and employees of the SBA. The rule will be published at 5 CFR XLIV and will supplement the Standards of Ethical Conduct for Employees of the executive branch issued by the OGE (57 FR 35006; August 7, 1992). The rule is necessary to supplement the standards issued by OGE because it addresses ethical issues that are unique to SBA.

Timetable:

Action	Date	FR Cite
NPRM	05/00/02	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** Federal

Agency Contact: Robinson S. Nunn, Chief Counsel for Ethics, Small Business Administration, 409 Third Street SW, 7th Floor, Washington, DC 20416

Phone: 202 205-6642

RIN: 3245-AC96**4036. RECORD DISCLOSURE AND PRIVACY REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** PL 104-231; 5 USC 552; 5 USC 552a**CFR Citation:** 13 CFR 102**Legal Deadline:** None

Abstract: This proposed regulation will amend 13 CFR 102, subpart A, governing disclosure of information, to implement statutory changes. Additionally, amendments to subpart B "The Privacy Act" (PA) would add new routine disclosures, correct the term "system of records," require identification of requesters, clarify when lack of social security number can cause benefit denial, and provide for one free copy of an official personnel file.

Timetable:

Action	Date	FR Cite
NPRM	02/00/02	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** Federal

Agency Contact: Lisa Babcock, Chief, Freedom of Information Act Office, Small Business Administration, 409 Third Street SW, Washington, DC 20416

Phone: 202 401-8200

RIN: 3245-AE03**4037. SMALL BUSINESS DEVELOPMENT CENTERS (SBDC) PROGRAM REVISIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 634(b)(6); 15 USC 648**CFR Citation:** 13 CFR 130**Legal Deadline:** None

Abstract: SBA is revising its SBDC regulations to reflect statutory and other changes.

Timetable:

Action	Date	FR Cite
NPRM	03/00/02	

Regulatory Flexibility Analysis**Required:** Undetermined**Government Levels Affected:** None

Agency Contact: Johnnie L. Albertson, AA/SBDCs, Small Business Administration, 409 Third Street SW, Washington, DC 20416

Phone: 202 205-6766

RIN: 3245-AE05**4038. SMALL BUSINESS LENDING COMPANIES REGULATIONS**

Regulatory Plan: This entry is Seq. No. 152 in part II of this issue of the Federal Register.

RIN: 3245-AE14**4039. SMALL BUSINESS SIZE STANDARDS; ELECTRIC SERVICES****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 632(a)**CFR Citation:** 13 CFR 121.201**Legal Deadline:** None

Abstract: This rule will revise the size standard for Electrical Services

(Standard Industrial Classification 4911). The current size standard is 4 million megawatt hours. In response to the emerging deregulation of the electric utilities industry, the SBA is reviewing its 4 million megawatt hours size standard for NAICS codes 221111-221122. It is also reviewing related size standards provisions that may affect the requirements placed on small businesses competing to sell electricity to the Federal Government.

Timetable:

Action	Date	FR Cite
NPRM	03/00/02	

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416

Phone: 202 205-6618

RIN: 3245-AE18**4040. 8(A) BUSINESS DEVELOPMENT/PROGRAM IMPROVEMENT AND TECHNICAL AMENDMENTS****Priority:** Other Significant**Legal Authority:** 15 USC 631**CFR Citation:** 13 CFR 124**Legal Deadline:** None

Abstract: This rule will make technical corrections and clarifying amendments to the 8(a) regulations. The amendments will clarify, and in some cases modify, certain requirements and procedures. For example, the rules governing the mentor/protege program will be clarified. Part 124 will also be amended to include certain new policies and procedures.

Timetable:

Action	Date	FR Cite
NPRM	02/00/02	

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

Procurement: This is a procurement-related action for which there is no statutory requirement. There is no paperwork burden associated with this action.

SBA

Proposed Rule Stage

Agency Contact: Delorice Price Ford, AA/Minority Enterprise Development, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-7340

RIN: 3245-AE38

4041. SDB CERTIFICATION AND ELIGIBILITY—PROGRAM IMPROVEMENT AND TECHNICAL AMENDMENTS

Priority: Other Significant

Legal Authority: 15 USC 634(b)(6); 15 USC 636(j); 15 USC 637(a); 15 USC 637(d); PL 99-661; PL 100-656, sec 1207; PL 101-37; PL 101-574; 42 USC 9815

CFR Citation: 13 CFR 124; 13 CFR 134

Legal Deadline: None

Abstract: Program improvements and technical amendments to clarify regulations governing the SDB program. The proposed changes clarify requirements, enhance customer service, and correct omissions. For example: A procedure for recertifying eligible firms is established; circumstances under which SBA may reevaluate determinations made by Private Certifiers is broadened; provisions are made to prevent loss of SDB certification by a subcontractor following award of a contract; and stipulations are made requiring contracting officers to forward protests to SBA for determination of merit.

Timetable:

Action	Date	FR Cite
NPRM	02/00/02	

Regulatory Flexibility Analysis Required: Undetermined

Government Levels Affected: None

Procurement: This is a procurement-related action for which there is no statutory requirement. There is no paperwork burden associated with this action.

Agency Contact: Linda Williams, (A)AA/SDBCE, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 401-1126
Fax: 202 205-7259

RIN: 3245-AE47

4042. SIZE STANDARDS: INFLATION ADJUSTMENT

Priority: Other Significant

Legal Authority: 15 USC 632(a); 15 USC 634(b)(6)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This proposed rule will adjust SBA's receipt-based size standards for inflation since the last time they were adjusted in 1994.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE56

4043. SIZE STANDARDS: SUBCONTRACTING SIZE STANDARDS

Priority: Other Significant

Legal Authority: 15 USC 632(a); 15 USC 634(b)(6)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule proposes to revise the size standards applicable to subcontractors to Federal prime contractors.

Timetable:

Action	Date	FR Cite
NPRM	01/00/02	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE57

4044. • GOVERNMENTWIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT) AND GOVERNMENTWIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (GRANTS)

Priority: Substantive, Nonsignificant

Legal Authority: EO 12549 (3 CFR, 1986 Comp., p. 189); EO 11738 (3 CFR, 1973 Comp., p. 799); EO 12689 (3 CFR, 1989 Comp., p. 235); Drug Free Workplace Act of 1988, sec 5151 to 5160; PL 100-690, title V, subtitle D; 41 USC 701 et seq; 15 USC 634(b)(6); 5 USC 301 et seq; 15 USC 631 et seq; PL 103-355, sec 2455, 108 Stat. 3327 (31 USC 6160 note)

CFR Citation: 13 CFR 145

Legal Deadline: None

Abstract: This part proposes optional lower tier suspension and debarment coverage by including paragraph (d) in section 145.220 for all contracts that equal or exceed the \$25,000 award threshold under SBA nonprocurement transactions.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: Federal

Procurement: This is a procurement-related action for which there is a statutory requirement. There is no paperwork burden associated with this action.

Agency Contact: Michael Campilongo, Attorney Advisor, Small Business Administration, 409 Third Street, SW, Washington, DC 20416
Phone: 202 205-6879

RIN: 3245-AE61

4045. • THE WOMEN-OWNED SMALL BUSINESS FEDERAL CONTRACT ASSISTANCE PROGRAM

Regulatory Plan: This entry is Seq. No. 153 in part II of this issue of the Federal Register.

RIN: 3245-AE65

SBA

Proposed Rule Stage

4046. • HUBZONE EMPOWERMENT CONTRACTING PROGRAM

Regulatory Plan: This entry is Seq. No. 154 in part II of this issue of the *Federal Register*.

RIN: 3245-AE66

4047. • SMALL BUSINESS INVESTMENT COMPANIES—CIVIL PENALTIES FOR LATE SUBMISSION OF REQUIRED REPORTS

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 681 et seq; 15 USC 683; 15 USC 687(c); 15 USC 687b; 15 USC 687d; 15 USC 687g; 15 USC 687m; 15 USC 662

CFR Citation: 13 CFR 107

Legal Deadline: None

Abstract: This rule will provide for the imposition of civil penalties on small business investment companies that fail to file required reports by the applicable due date.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Harry Haskins, Acting Associate Administrator for Investment, Small Business Administration, 409 Third Street SW, Suite 6300, Washington, DC 20416
Phone: 202 205-6694
Fax: 202 205-6959

RIN: 3245-AE69

4048. • SMALL BUSINESS INVESTMENT COMPANIES—AMENDMENT UNDER THE SMALL BUSINESS REAUTHORIZATION ACT OF 2000

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 681 et seq; 15 USC 683; 15 USC 687(c); 15 USC 687b; 15 USC 687d; 15 USC 687g; 15 USC 687m

CFR Citation: 13 CFR 107

Legal Deadline: None

Abstract: The Small Business Reauthorization Act of 2000 made a number of changes to the Small Business Investment Act of 1958, as amended. For the Small Business Investment Companies (SBIC) Program,

the changes include provisions effecting the definitions of “small business concern” and “long-term financing”, the timing of permitted tax distributions by SBICs, and the establishment of subsidy fees to be paid by SBICs. This rule incorporates these changes.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Harry Haskins, Acting Associate Administrator for Investment, Small Business Administration, 409 Third Street SW, Suite 6300, Washington, DC 20416
Phone: 202 205-6694
Fax: 202 205-6959

RIN: 3245-AE70

4049. • RULES OF PROCEDURE GOVERNING CASES BEFORE THE OFFICE OF HEARINGS AND APPEALS—REVISIONS

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC 504; 15 USC 632; 15 USC 634(b)(6); 15 USC 637(a)

CFR Citation: 13 CFR 134

Legal Deadline: None

Abstract: This rule amends the regulations governing proceedings before SBA’s Office of Hearings and Appeals (OHA) to change and clarify procedures to make them easier to use and more efficient, codify OHA case law pertaining to its own procedures, and conform regulations to longstanding practice. In addition, the rule conforms OHA’s regulations to reflect the North American Industry Classification System (NAICS), which has replaced the Standard Industrial Code (SIC) system.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: Federal

Agency Contact: Gloria Blazsik, Acting Assistant Administrator for Hearings and Appeals, Small Business

Administration, 409 Third Street, SW, Suite 5900, Washington, DC 20416
Phone: 202 401-8200

RIN: 3245-AE71

4050. • SMALL BUSINESS SIZE REGULATIONS; SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 632(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule will allow wholly owned subsidiaries to be eligible for Small Business Innovation Research funding agreements. Current regulations limit the eligibility of the program to businesses owned by individuals.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE76

4051. • SMALL BUSINESS SIZE STANDARDS; TESTING LABORATORIES

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 632(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule will revise the size standard for the Testing Laboratories industry. Changes in the composition of the industry indicate a higher size standard than \$5 million is warranted to define which businesses are small businesses.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business

SBA

Proposed Rule Stage

Administration, 409 Third Street SW,
Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE78

4052. • SBIC—MAXIMUM LEVERAGE ELIGIBILITY

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 662; 15 USC 681 et seq; 15 USC 683; 15 USC 687(c); 15 USC 687b; 15 USC 687d; 15 USC 687g; 15 USC 687m

CFR Citation: 13 CFR 107

Legal Deadline: None

Abstract: This rule will implement a provision of the New Markets Venture Capital Program Act of 2000 that allows small business investment companies to be eligible for additional Government leverage based on their investments in low-income areas.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Harry Haskins, Acting Associate Administrator for Investment, Small Business Administration, 409 Third Street SW, Suite 6300, Washington, DC 20416

Phone: 202 205-6694
Fax: 202 205-6959

RIN: 3245-AE79

4053. • SMALL BUSINESS SIZE STANDARDS; INFORMATION TECHNOLOGY VALUE ADDED RESELLERS

Priority: Other Significant

Legal Authority: 15 USC 632(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule establishes a size standard for Information Technology (IT) Value Added Resellers. Current regulations apply the same eligibility requirements on these types of businesses as for dealers and nonmanufacturers. To establish more appropriate eligibility requirements to IT Value Added Resellers, a new industry category and size standard are established.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Procurement: This is a procurement-related action for which there is no statutory requirement. There is no paperwork burden associated with this action.

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416

Phone: 202 205-6618

RIN: 3245-AE80

4054. • SMALL BUSINESS SIZE STANDARDS; SURETY BOND GUARANTEE PROGRAM

Priority: Other Significant

Legal Authority: 15 USC 632(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule will revise the size standard applicable to construction and service companies seeking assistance under SBA's Surety Bond Guarantee Program. Changes in the program and economic trends support an increase to the current \$5 million size standard.

Timetable:

Action	Date	FR Cite
NPRM	01/00/02	

Regulatory Flexibility Analysis

Required: Undetermined

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE81

Small Business Administration (SBA)

Final Rule Stage

4055. SIZE STANDARDS FOR COMPLIANCE WITH PROGRAMS OF OTHER AGENCIES

Priority: Substantive, Nonsignificant

Legal Authority: PL 105-135, sec 601 et seq, 111 Stat. 2592; 15 USC 632(a); 15 USC 644(c); PL 102-486, 106 Stat. 2776, 3133; 15 USC 634(b)(6); 15 USC 637(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This revision requires an agency to consult in writing with SBA before proposing small business size standards for use in its program. It removes the requirement that the agency have the SBA Administrator's

approval for the contemplated size standards prior to the proposed rule. Rather, the agency must seek the SBA Administrator's approval only before it adopts size standards in a final rule.

Timetable:

Action	Date	FR Cite
NPRM	01/26/00	65 FR 4176
NPRM Comment Period End	03/27/00	
Final Action	12/00/01	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Carl Jordan, Program Analyst, Small Business

Administration, 409 Third Street SW,
Washington, DC 20416
Phone: 202 205-6093
Fax: 202 205-6390

RIN: 3245-AE42

4056. PRE-DISASTER MITIGATION LOAN PROGRAM AMENDMENTS

Priority: Other Significant

Legal Authority: PL 106-24

CFR Citation: 13 CFR 123.400 et seq

Legal Deadline: None

Abstract: Necessary amendments to Pre-Disaster Mitigation Loan Program to permit implementation of the program. Amendments will clarify and add to

SBA

Final Rule Stage

existing regulations in areas of eligibility and process.

Timetable:

Action	Date	FR Cite
NPRM	06/14/00	65 FR 37307
NPRM Comment Period End	07/14/00	
Final Action	01/00/02	

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: James E. Rivera, Deputy Associate Administrator for Disaster Assistance, Small Business Administration, Suite 6050, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6750
Fax: 202 205-7728
Email: james.rivera@sba.gov

RIN: 3245-AE44

4057. ADMINISTRATIVE WAGE GARNISHMENT AND ADMINISTRATIVE OFFSET

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC 504; 15 USC 632; 15 USC 634(b)(6); 15 USC 637(a); 31 USC 3711; 31 USC 3720; 31 USC 3716

CFR Citation: 13 CFR 134; 13 CFR 140

Legal Deadline: None

Abstract: SBA is issuing a rule adopting administrative wage garnishment and administrative offset regulations to implement the Debt Collection Improvement Act of 1996. The rule would allow SBA to garnish the wages of a person indebted to the United States for any non-tax debt without first obtaining a judgment. The debtor generally would be entitled to a hearing before a Judge assigned to SBA's Office of Hearings and Appeals. The proposed rule would also include administrative offset and other remedies to comply with Treasury directives.

Timetable:

Action	Date	FR Cite
NPRM	06/27/00	65 FR 39567
NPRM Comment Period End	08/28/00	
Final Action	01/00/02	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: Federal

Agency Contact: Arnold Rosenthal, Assistant Administrator for Portfolio Management, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6481

RIN: 3245-AE50

4058. NONDISCRIMINATION ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, HANDICAP, AND AGE IN PROGRAMS OR ACTIVITIES RECEIVING FEDERAL FINANCIAL ASSISTANCE

Priority: Substantive, Nonsignificant

Legal Authority: 42 USC 794; 42 USC 2000d to 2000d-7; 42 USC 6101 to 6107; EO 12250

CFR Citation: 13 CFR 112; 13 CFR 113; 13 CFR 117

Legal Deadline: None

Abstract: The Department of Justice proposes to make amendments to its regulations implementing title VI of the Civil Rights Act of 1964 (title VI), section 504 of the Rehabilitation Act of 1972, (section 504), and the Age Discrimination Act of 1975 (Age Discrimination Act). Together, these statutes prohibit discrimination on the basis of race, color, national origin, disability, and age in programs or activities that receive Federal financial assistance. In 1988, the Civil Rights Restoration Act (CRRA) added definitions of "program or activity" and "program" to title VI and added a definition "program or activity" to section 504 and the Age Discrimination Act. The added definitions were designed to clarify the broad scope of coverage of recipients' programs or activities under these statutes. The promulgation of this proposed regulation explicitly incorporates the CRRA's definition of "program or activity" and "program" into the Department's title VI, section 504, and Age Discrimination Act regulations. The Department's proposed regulation will be published as part of a joint notice of proposed rulemaking involving up to 24 Federal agencies.

Timetable:

Action	Date	FR Cite
NPRM	12/06/00	65 FR 76460
NPRM Comment Period End	01/06/01	
Final Action	12/00/01	
Final Action Effective	01/00/02	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: Federal

Agency Contact: Mary Ann E Fresco, Deputy Assistant Administrator, EEO, Small Business Administration, 409 Third Street, Washington, DC 20416
Phone: 202 205-7148

RIN: 3245-AE59

4059. • 7(A) AND CERTIFIED DEVELOPMENT COMPANY (504) LOAN PROGRAMS—2000 REAUTHORIZATION ACT AMENDMENTS

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 687(c); 15 USC 695; 15 USC 696; 15 USC 697a; 15 USC 697b; 15 USC 697c; PL 106-554

CFR Citation: 13 CFR 120

Legal Deadline: None

Abstract: The proposed rule revises part 120 of SBA regulations to implement various changes in 7(a) Business Loan Program enacted by The Small Business Reauthorization Act of 2000 (Act). These changes include: (1) increasing the maximum guaranty percentage to 85 percent for a loan of \$150,000 or less; (2) applying a 75 percent guaranty for a loan of more than \$150,000; (3) increasing the maximum amount that SBA can guarantee to a single borrower from \$750,000 to \$1 million; (4) instituting a maximum limit on the gross loan amount of \$2 million; (5) imposing a new prepayment penalty on borrowers for certain SBA guaranteed loans; (6) simplifying the calculation of the guaranty fee payable by a participating lender; (7) imposing a restriction on a borrower in the 7(a) business loan program to lease out a portion of a building constructed with the proceeds of a guaranteed loan; (8) eliminating the requirement that export working capital loans be fully disbursed before being sold in the secondary market; (9) adding women-owned business development to the public policy goals of the Certified Development Company (CDC) Program; (10) increasing the maximum amount the SBA may guarantee to a single small business concern under the CDC Program from \$750,000 to \$1 million and from \$1 million to \$1.3 million for CDC loans meeting the statutory public policy goals; and (11) making the Premier

SBA

Final Rule Stage

Certified Lenders Program (PCLP) a permanent, not a pilot, SBA Program.

Timetable:

Action	Date	FR Cite
Direct Final Rule	11/14/01	66 FR 56985
Comment Period End	12/14/01	

Action	Date	FR Cite
Direct Final Rule Effective	12/31/01	
Final Action	To Be Determined	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Jane Palsgrove Butler, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6490

RIN: 3245-AE68

Small Business Administration (SBA)

Completed Actions

4060. AMENDMENT TO SBA'S REGULATIONS REGARDING DEBT COLLECTION THROUGH OFFSET

Priority: Info./Admin./Other

Legal Authority: 31 USC 3711; 31 USC 3720A; 5 USC 5514; 31 USC 3716; 15 USC 634(b)(6)

CFR Citation: 13 CFR 140

Legal Deadline: None

Abstract: SBA intends to amend its regulations to include references to administrative offset and other remedies that the Treasury Department may use on behalf of SBA to collect debt pursuant to the Debt Collection Improvement Act of 1996. Publication of this regulatory change is required to comply with Treasury directive.

Timetable:

Action	Date	FR Cite
NPRM	01/22/99	64 FR 3454
NPRM Comment Period End	02/22/99	
Merged With RIN	08/02/01	
3245-AE50		

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Arnold Rosenthal, Assistant Administrator for Portfolio Management, Small Business Administration, 409 Third Street SW, Washington, DC 20416
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RIN: 3245-AD90

4061. PLP LENDERS' RESPONSIBILITIES FOR SERVICING AND LIQUIDATING LOANS

Priority: Other Significant

Legal Authority: 15 USC 634(b)(6); 15 USC 636(a); 15 USC 634(b)(7)

CFR Citation: 13 CFR 120.453

Legal Deadline: None

Abstract: SBA is amending 13 CFR to provide Preferred Lender's Program (PLP) lenders guidance on submitting liquidation plans.

Timetable:

Action	Date	FR Cite
Withdrawn	08/02/01	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Jane Palsgrove Butler, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6490

RIN: 3245-AE09

4062. SERVICING OF GUARANTEED LOANS

Priority: Other Significant

Legal Authority: 15 USC 634(b); 15 USC 634(b)(7)

CFR Citation: 13 CFR 120.512

Legal Deadline: None

Abstract: SBA is amending 13 CFR 120.512 to generally require a lender, after SBA honors its guarantee, to service and liquidate the loan and continue to hold the loan instruments unless SBA indicates otherwise. SBA is also amending this regulation for other technical changes.

Timetable:

Action	Date	FR Cite
Withdrawn	07/31/01	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Jane Palsgrove Butler, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6490

RIN: 3245-AE10

4063. SMALL BUSINESS SIZE STANDARDS; NET INCOME COMPUTATION FOR THE SMALL BUSINESS INVESTMENT AND CERTIFIED DEVELOPMENT COMPANIES AND AGRICULTURE SIZE STANDARD

Priority: Substantive, Nonsignificant

Legal Authority: PL 106-9

CFR Citation: 13 CFR 121.301(c)(1)

Legal Deadline: None

Abstract: This rule will incorporate two statutory changes. First, it will revise the method of computing net income to determine the eligibility of non-taxpaying small businesses for the Small Business Investment Company and Certified Development Company Programs. Second, it will adopt a size standard of \$750,000 for agriculture industries.

Timetable:

Action	Date	FR Cite
Direct Final Rule	06/07/01	66 FR 30646
Correction	06/14/01	66 FR 32416

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Gary M. Jackson, AA/Size Standards, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6618

RIN: 3245-AE29

SBA

Completed Actions

4064. NEW MARKETS VENTURE CAPITAL PROGRAM**Priority:** Other Significant**Legal Authority:** 15 USC 689 to 689q**CFR Citation:** 13 CFR 108**Legal Deadline:** None

Abstract: The New Markets Venture Capital (NMVC) program helps spur economic development in some of America's under-invested communities through a public-private partnership encouraging venture capital investing and intensive technical assistance to small businesses in low- and moderate-income areas.

Timetable:

Action	Date	FR Cite
Interim Final Rule	01/22/01	66 FR 7218
Final Rule--Delay of Effective Date	02/20/01	66 FR 10811
Interim Final Rule Effective	02/21/01	
Interim Final Rule Comment Period End	03/23/01	
NPRM-Proposed Withdrawal of Interim Final Rule	04/23/01	66 FR 20531
Final Rule--Delay of Effective Date of Interim Final Rule	04/23/01	66 FR 20530
NPRM Comment Period End	05/04/01	
Final Action	05/23/01	66 FR 28601

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

Agency Contact: Austin J. Belton, Director, Office of New Markets Venture Capital, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-7027

RIN: 3245-AE40**4065. MILITARY RESERVIST ECONOMIC INJURY DISASTER LOAN PROGRAM****Priority:** Other Significant**Legal Authority:** PL 106-50**CFR Citation:** 13 CFR 123**Legal Deadline:** None

Abstract: This regulation implements new Military Reservist Economic Injury Loan Program mandated by Public Law 106-50. This program assists small businesses suffering economic injury as a result of the call up to active military

duty of an essential employee of the small business during a period of military conflict. The regulation covers program eligibility and process.

Timetable:

Action	Date	FR Cite
NPRM	07/13/00	65 FR 43261
NPRM Comment Period End	08/14/00	
Final Action	07/25/01	66 FR 38528

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

Agency Contact: James E. Rivera, Deputy Associate Administrator for Disaster Assistance, Small Business Administration, Suite 6050, 409 Third Street SW, Washington, DC 20416
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RIN: 3245-AE45**4066. MICROLOAN PROGRAM—CHANGES REQUIRED BY THE 1997 REAUTHORIZATION ACT****Priority:** Other Significant**Legal Authority:** 15 USC 636(m)(202); PL 105-135**CFR Citation:** 13 CFR 120.700**Legal Deadline:** None

Abstract: SBA implemented changes in the microloan program required by the Small Business Reauthorization Act of 1997. This rule (1) terminates the designation of the microloan program as a "demonstration," (2) allows a nonprofit child care business to qualify for the microloan program, (3) authorizes a microloan intermediary to use up to 25 percent of grant funds for technical assistance to prospective microloan borrowers, and (4) establishes procedures for SBA to revoke or suspend a microloan intermediary or microloan non-lending technical assistance provider and gives the OHA authority to hear such appeals.

Timetable:

Action	Date	FR Cite
NPRM	08/11/99	64 FR 43636
NPRM Comment Period End	09/10/99	
Final Action	09/11/01	66 FR 47072

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** Federal

Agency Contact: Jane Palsgrove Butler, Associate Administrator for Financial Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416
Phone: 202 205-6490

RIN: 3245-AE51**4067. PRIME ACT GRANTS****Priority:** Other Significant**Legal Authority:** 15 USC 634(b)(6); PL 106-102**CFR Citation:** 13 CFR 119**Legal Deadline:** None

Abstract: The regulations add a new part 119 to set up the Program for Investment in Microentrepreneurs Act (PRIME or the Act). The regulations set forth the Act's grant requirements for qualified Microenterprise Development Organizations (MDOs) to: (1) Train and provide technical assistance to disadvantaged microentrepreneurs; (2) build MDOs' capacity to give disadvantaged microentrepreneurs such training and technical assistance; (3) research and develop best practices for training and technical assistance; and (4) perform such other activities as the Administrator or designee determines are consistent with the Act. SBA will award a minimum of 75 percent of available funds to MDOs to use for training and technical assistance to disadvantaged microentrepreneurs. At a minimum, another 15 percent will be used to build MDOs' capacity to give more training and technical assistance. SBA will use the remaining funds to make grants for research and development on best practices or other purposes to improve MDOs' services to PRIME's ultimate beneficiaries - disadvantaged microentrepreneurs.

Timetable:

Action	Date	FR Cite
NPRM	10/10/00	65 FR 60256
NPRM Comment Period End	11/09/00	
Final Action	05/29/01	66 FR 29010

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Federal

Agency Contact: Jane Palsgrove Butler, Associate Administrator for Financial Assistance, Small Business

SBA

Completed Actions

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RIN: 3245-AE52

4068. • MICROLOAN PROGRAM 2000 AMENDMENTS

Priority: Other Significant

Legal Authority: PL 106-554; 15 USC 634(b)(6); 15 USC 636(a); 15 USC 636(h); 15 USC 696(3); 15 USC 697(a)(2)

CFR Citation: 13 CFR 120.700

Legal Deadline: None

Abstract: PL 106-554 makes several changes to SBA's microloan program, increasing in several places the dollar amounts used to define aspects of the program. For example, the maximum microloan amount is \$20,000 (formerly \$15,000) unless the borrower demonstrates that it is unable to obtain credit elsewhere. Similarly, an intermediary may not make a loan of more than \$35,000 (formerly \$25,000), and no borrower may owe an intermediary more than \$35,000 (formerly \$25,000) at any one time. Also, the number of non-lender technical assistance grants increased from \$125,000 to \$200,000. In addition,

the 2000 Reauthorization Act amendments changed the definitions for a Microloan (a loan of not more than \$35,000/formerly \$25,000) and Specialized Intermediary (portfolio of microloans averaging \$10,000/formerly \$7,500).

Timetable:

Action	Date	FR Cite
Direct Final Rule	09/14/01	66 FR 47877

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Jody Raskind, Chief, Office of Microenterprise Development, Small Business Administration, 409 Thrd Street, SW, Washington, DC 20416

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RIN: 3245-AE73

4069. • SURETY BOND GUARANTEE PROGRAM—2000 AMENDMENTS

Priority: Other Significant

Legal Authority: 5 USC app 3; 15 USC 687b; 15 USC 687c; 15 USC 694a; 15 USC 694b note; PL 106-554, 114 Stat. 2763A-653

CFR Citation: 13 CFR 115

Legal Deadline: None

Abstract: SBA revised the Surety Bond Guarantee Program rules to conform them to two recently enacted statutory changes. First, the law increases the eligible contract amount from \$1.25 million to \$2 million. Second, the law extended the authorization period of the Pilot Preferred Surety Bond (PSB) Program from September 30, 2000 to September 30, 2003.

Timetable:

Action	Date	FR Cite
Direct Final Rule	06/08/01	66 FR 30803

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3245-AE74

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