



Federal Register

**Monday,
December 11, 2006**

Part XLII

Small Business Administration

Semiannual Regulatory Agenda

SMALL BUSINESS ADMINISTRATION (SBA)

**SMALL BUSINESS ADMINISTRATION
13 CFR Ch. I**

Semiannual Regulatory Agenda

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

ACTION: Semiannual regulatory agenda.

SUMMARY: The Regulatory Flexibility Act (RFA) and Executive Order 12866 require each agency to publish semiannually a regulatory agenda (agenda) that includes an inventory of all current and projected rulemakings, including regulations the agency expects to develop during the next 12 months and regulations completed since the last publication of the agency’s agenda. SBA is publishing this agenda to provide the public with notice about SBA’s regulatory activities and to provide specific information about those activities. This information will promote the public’s participation in SBA’s regulatory activities.

FOR FURTHER INFORMATION CONTACT: For additional information about specific regulatory actions listed in the agenda, you should direct your comments and inquiries to the appropriate agency contact identified in each entry. For general information about the agenda, you should direct your comments or inquiries to Martin “Sparky” Conrey, Assistant General Counsel for Legislation and Appropriations, U.S.

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SUPPLEMENTARY INFORMATION: This agenda announces the proposed regulatory actions that SBA plans for the next 12 months and those that were completed since the spring 2006 edition of the Agenda. As permitted by law, SBA is combining the publication of its agendas required by statute and Executive order and conforming them to the Unified Agenda of Federal Regulatory and Deregulatory Actions format developed by the Regulatory Information Service Center.

The purpose of the agenda is to provide information to the public on regulations currently under review, being proposed, completed, or withdrawn by SBA. Accordingly, rulemaking action in SBA’s agenda is grouped according to its stage of development. The stages of development are pre-rulemaking, proposed rules, final rules, and rulemaking actions completed since the spring 2006 Agenda. The agenda is intended to facilitate comments and views by interested members of the public. SBA encourages public participation in its rulemaking process through various mediums including www.regulations.gov. This website allows SBA to place rules on the website and receive public comments

through that medium. SBA also provides a link from www.sba.gov to that website.

SBA’s regulations promote statutory mandates and Presidential directives linked to SBA’s goals to improve the economic environment for small business, increase small business success by bridging competitive opportunity gaps, restore homes and businesses affected by disaster, and to operate and manage SBA’s programs and resources efficiently and effectively.

Publication of proposed rulemaking actions in the agenda does not impose any obligation on SBA to take any final action with regard to any specific item. Furthermore, SBA is not precluded from rulemaking activities that are not listed in this agenda. The dates listed in the timetables for specific actions are estimates and not commitments to act on or by the particular date.

This edition of the agenda also includes SBA’s regulatory plan, which contains the Agency’s most important regulatory actions and 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 the part II.

Steven C. Preston,
Administrator.

Small Business Administration—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
3599	Small Business Development Centers (SBDC) Program Revisions	3245-AE05
3600	Small Business Lending Company and Lender Oversight Regulations (Reg Plan Seq No. 136)	3245-AE14
3601	HUBZone Empowerment Contracting Program	3245-AF13
3602	Economic Injury Disaster Loans (EIDL)	3245-AF14
3603	Testimony and Production of Records; Office of Inspector General and Office of General Counsel	3245-AF18
3604	Small Business Size Standards; Selected Size Standards Issues	3245-AF22
3605	Small Business Size Standards; Nonmanufacturer Size Standard	3245-AF27
3606	Definition of “Employee” for Purposes of the HUBZone Program	3245-AF44
3607	Small Business Technology Transfer (STTR) Policy Directive	3245-AF45
3608	Disaster Relief to SBCs Damaged by Drought	3245-AF46
3609	8(a) Business Development/Small Disadvantaged Business Status Determinations	3245-AF53
3610	Small Business Size Regulations; Small Business Innovation Research Program	3245-AF55
3611	Small Business Investment Companies—Conflicts of Interest	3245-AF56

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

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Small Business Administration—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
3612	Business Loans and Development Company Loans; Liquidation and Litigation Procedures	3245-AE83
3613	Size for Purposes of Long Term Contracts; Small Business Size Regulations; 8(a) Business Development/Small Disadvantaged Business Status Determinations (Reg Plan Seq No. 137)	3245-AF06
3614	Record Disclosure and Privacy	3245-AF20
3615	Small Business Innovation Research (SBIR) Policy Directive	3245-AF21
3616	Premier Certified Lenders Program	3245-AF23
3617	Small Business Size Standards; Support Activities for Air Transportation	3245-AF29
3618	Amendments to the HUBZone Program	3245-AF31
3619	Women-Owned Small Business Federal Contract Assistance Program	3245-AF40
3620	Small Business Size Standards; Inflation Adjustment	3245-AF41
3621	Amendments to the Disaster Loan Program	3245-AF42
3622	Business Loan Program; Lender Examination and Review Fees	3245-AF49

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

Small Business Administration—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
3623	Amendments to the Surety Bond Guarantee Program Regulations	3245-AF39

Small Business Administration—Completed Actions

Sequence Number	Title	Regulation Identifier Number
3624	Small Business Investment Companies—Maximum Leverage Eligibility	3245-AE79
3625	Small Business Size Standards; Surety Bond Guarantee Program	3245-AE81
3626	8(a) Business Development/Small Disadvantaged Business Status Determinations	3245-AF17
3627	Rules of Procedure Governing Cases Before the Office of Hearings and Appeals Arising From the Service-Disabled, Veteran-Owned Small Business Concern Program	3245-AF25
3628	Small Business Size Standards; Security Guards and Patrol Services	3245-AF28
3629	Small Business Size Standards; Mapping Services	3245-AF30
3630	Small Business Size Standards—Exclusion of Certain Security Expenses From Consideration for Purposes of Small Business Size Standards	3245-AF50

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3599. SMALL BUSINESS DEVELOPMENT CENTERS (SBDC) PROGRAM REVISIONS

Priority: Other Significant

Legal Authority: 15 USC 634(b)(6); 15 USC 648

CFR Citation: 13 CFR 130

Legal Deadline: None

Abstract: This rule would propose amendments to SBA’s SBDC program regulations for the purpose of conforming the regulations to existing statutory requirements. This rule would amend: (1) Procedures for approving

and funding of SBDCs; (2) approval procedures for travel outside the continental U.S. and U.S. territories; (3) procedures and requirements regarding findings and disputes resulting from financial exams, programmatic reviews, accreditation reviews, and other SBA oversight activities; (4) requirements for new and renewal applications for SBDC awards, including the requirements for electronic submission through the approved electronic Government submission facility; and (5) provisions regarding the collection and use of individual SBDC client data.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses, Organizations

Government Levels Affected: None

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RIN: 3245-AE05

3600. SMALL BUSINESS LENDING COMPANY AND LENDER OVERSIGHT REGULATIONS

Regulatory Plan: This entry is Seq. No. 136 in part II of this issue of the **Federal Register**.

RIN: 3245-AE14

3601. HUBZONE EMPOWERMENT CONTRACTING PROGRAM

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 657a

CFR Citation: 13 CFR 126

Legal Deadline: None

Abstract: SBA published an Advance Notice of Proposed Rulemaking (ANPRM) requesting comments regarding the HUBZone Program and agricultural commodities purchased by the U.S. Department of Agriculture (USDA). According to the Small Business Act, in the case of a contract for the procurement by the USDA of agricultural commodities, a qualified HUBZone small business concern may not purchase the commodity from a subcontractor if the subcontractor will supply the commodity in substantially the final form in which it is to be supplied to the Government. SBA sought comments on how to define "substantially the final form" with respect to this statutory requirement. Additionally, SBA sought comments on the implementation of a statutory provision regarding HUBZone set-asides and the definition of "employee." SBA is reviewing comments received on or before the deadline specified in the ANPRM and deliberating policy internally to support a proposed rule.

Timetable:

Action	Date	FR Cite
ANPRM	05/13/04	69 FR 26511
ANPRM Comment Period End	07/12/04	
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Michael P. McHale, Associate Administrator for HUBZone Program, Small Business

Administration, 409 Third Street SW, Washington, DC 20416
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RIN: 3245-AF13

3602. ECONOMIC INJURY DISASTER LOANS (EIDL)

Priority: Other Significant

Legal Authority: 15 USC 634(b)(6); 15 USC 636(b); 15 USC 636(c); 15 USC 636(f); PL 102-395, 106 Stat 1828; PL 103-75, 107 Stat 739

CFR Citation: 13 CFR 123

Legal Deadline: None

Abstract: This rule would conform SBA's regulations governing economic injury disaster loans (EIDL) to the regulations governing physical injury disaster loans. Specifically, this rule would ensure that when a small business entity is engaged in both agricultural and non-agricultural business ventures, SBA can provide EIDLs to the non-agricultural business when it has been hurt economically by fires, floods, or other disasters. A similar rule is in effect for physical disaster loans (13 CFR 123.001(b)). For example, if the total business operation is comprised of a retail store on a ranch, and the retail store is financially harmed by a fire, the retail store would be eligible for EIDL assistance (assuming that it meets other requirements) under the proposed rule, even if the ranching portion of the business generated more revenue than the retail store. SBA is conforming these regulations because the Agency has determined that distinguishing between EIDLs and physical disaster loans in this regard is not justified.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: James E. Rivera, Deputy Associate Administrator for Disaster Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416
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Fax: 202 205-7728
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RIN: 3245-AF14

3603. TESTIMONY AND PRODUCTION OF RECORDS; OFFICE OF INSPECTOR GENERAL AND OFFICE OF GENERAL COUNSEL

Priority: Info./Admin./Other

Legal Authority: Not Yet Determined

CFR Citation: None

Legal Deadline: None

Abstract: This proposed rule would revise the procedures applicable to SBA's response to a subpoena seeking testimony or evidence in proceedings where SBA or the United States is not a party. The purpose of this revision is to help conserve SBA resources, minimize agency involvement in matters unrelated to its mission and programs, and avoid needless and potentially costly involvement in litigation to which SBA or the United States is not a party.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: Undetermined

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RIN: 3245-AF18

3604. SMALL BUSINESS SIZE STANDARDS; SELECTED SIZE STANDARDS ISSUES

Priority: Other Significant

Legal Authority: 15 USC 632 (a); 15 USC 634 (b)(6); 15 USC 637 (a); 15 USC 644 (c)

CFR Citation: Not Yet Determined

Legal Deadline: None

Abstract: SBA published an Advanced Notice of Proposed Rulemaking (ANPRM) seeking public comment on

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a number of issues pertaining to SBA's size standards, such as areas to simplify size standards and alternative calculations of the employment size of businesses (69 FR 70197). The ANPRM also sought comment on the participation in the Small Business Innovation Research Program by businesses that are majority-owned by venture capital companies (VCC). Specifically, SBA sought comment on whether the Agency should provide an exclusion from affiliation with VCCs in determining small business eligibility for this program. In summer 2005, SBA held public hearings on issues identified in the ANPRM and issues raised by public comments on it. SBA is considering public comments as it deliberates internally on options for simplifying and restructuring size standards.

Timetable:

Action	Date	FR Cite
ANPRM	12/03/04	69 FR 70197
ANPRM Comment Period Extended	01/19/05	70 FR 2976
ANPRM Comment Period End	04/03/05	
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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

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RIN: 3245-AF22

3605. SMALL BUSINESS SIZE STANDARDS; NONMANUFACTURER SIZE STANDARD**Priority:** Other Significant**Legal Authority:** 15 USC 632(a)**CFR Citation:** 13 CFR 121**Legal Deadline:** None

Abstract: This rule would propose revising the 500 employee small business size standard applicable to nonmanufacturers supplying manufactured products to the Federal Government (see 13 CFR 121.406 (b)). The proposed revision would address concerns that the current size standard

adversely affects Federal contracting opportunities for small businesses and that businesses no longer disadvantaged due to size benefit from the size standard.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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

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RIN: 3245-AF27

3606. DEFINITION OF "EMPLOYEE" FOR PURPOSES OF THE HUBZONE PROGRAM**Priority:** Other Significant**Legal Authority:** 15 USC 657 (a)**CFR Citation:** 13 CFR 126**Legal Deadline:** None

Abstract: The purpose of this proposed rule is to amend the definition of "employee" under 13 CFR 126.103. The definition of "employee" in part 126 is relevant to SBA's determination of whether a concern is eligible for certification as a HUBZone small business concern. On May 13, 2004, SBA issued an Advance Notice of Proposed Rulemaking requesting comments on, among other things, specific issues related to the definition of "employee," including the status of part-time, leased, and temporary employees, and the use of the term "full-time equivalent" in the definition of "employee." After careful consideration of the comments received, SBA has decided to amend the definition of "employee" to reflect current business operations, market conditions, and personnel practices within the small business community.

Timetable:

Action	Date	FR Cite
NPRM	02/00/07	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** Federal

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RIN: 3245-AF44

3607. SMALL BUSINESS TECHNOLOGY TRANSFER (STTR) POLICY DIRECTIVE**Priority:** Other Significant**Legal Authority:** 15 USC 638 ; PL 107.50**CFR Citation:** None**Legal Deadline:** None

Abstract: SBA is proposing to add to its current STTR Policy Directive a section describing the purpose and intended effects of Executive Order (E.O.) 13329. SBA is proposing to add provisions to define the term "manufacturing-related research and development" and to describe its four main areas: Unit process level technologies, machine-level technologies, system-level technologies, and environment or societal technologies. In accordance with the E.O. 13329, SBA is also proposing to impose new requirements on Federal agencies participating in the STTR Program. Pursuant to these proposed amendments, Federal agencies would be required to: (1) Include specific statements relating to E.O. 13329 in program solicitations; (2) develop an Action Plan for implementing E.O. 13329, including adding information to the agency's website; and (3) report to SBA on the agency's efforts to implement E.O. 13329.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

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

Agency Contact: Edsel Brown, Assistant Administrator for Technology, Office of Government Contracting/Business Development, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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RIN: 3245-AF45

3608. DISASTER RELIEF TO SBSCS DAMAGED BY DROUGHT

Priority: Other Significant

Legal Authority: 15 USC 634(b)(a), 636(b), 636(c)

CFR Citation: 13 CFR 123

Legal Deadline: Final, Statutory, February 20, 2006.

Implement the National Defense Authorization Act for fiscal year which requires the SBA to provide disaster loans for drought of low water conditions.

Abstract: This rule amends the definition of "disaster" in part 123 to include drought, below average water levels in the Great Lakes, or on any body of water in the United States that supports commerce by small business concerns; limits the amount of appropriated funds SBA can use during each fiscal year for drought-related disaster loans; and requires SBA to respond in writing to a State Governor's request for disaster assistance not later than 30 days after receipt of the request.

Timetable:

Action	Date	FR Cite
NPRM	02/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: James E. Rivera, Deputy Associate Administrator for Disaster Assistance, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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RIN: 3245-AF46

3609. 8(A) BUSINESS DEVELOPMENT/SMALL DISADVANTAGED BUSINESS STATUS DETERMINATIONS

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

Legal Authority: 15 USC 637 (b) (6), 636 (j), 637 (2), 637 (d)

CFR Citation: 13 CFR 124

Legal Deadline: None

Abstract: This proposed rule amends the regulations governing the 8(a) Business Development (8(a) BD) program to: (1) Revise the requirements for certain sole source contracts to joint ventures between 8(a) concerns owned and controlled by Indian tribes or Alaska Native Corporations (ANCs) and other concerns; (2) implement statutory changes permitting Native Hawaiian Organizations (NHOs) to enter into sole source contracts with the Department of Defense (DOD) where such contract are in excess of the competitive threshold amounts; (3) provide more flexibility to the Agency in determining whether to admit a company for program participation where a family member of an individual claiming disadvantaged status for an applicant to the 8(a) program owns a concern already participating in the 8(a) program of a former participant; (4) clarify how agencies can receive credit towards their 8(a) prime contracting goals when placing orders under multiple award contracts; and (5) add certain words that were inadvertently omitted from section 124.105(h)(2).

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses, Governmental Jurisdictions

Government Levels Affected: None

Agency Contact: Luz Hopewell, Associate Administrator for Business Development, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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RIN: 3245-AF53

3610. • SMALL BUSINESS SIZE REGULATIONS; SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Priority: Other Significant

Legal Authority: Not Yet Determined

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: The U.S. Small Business Administration (SBA) proposes to revise its small business size regulations regarding ownership and

control of Small Business Innovation Research (SBIR) Program awardees. Currently, to be eligible for an SBIR award, an awardee must meet the following ownership and control criteria: (a) Be a for-profit concern that is at least 51 percent of the United States, or permanent resident aliens in the United States, or (b) be a concern that is at least 51 percent owned and controlled by another business concern that is itself at least 51 percent owned and controlled by individuals who are citizens of or permanent resident aliens in the United States, or (c) be a joint venture in which each entity to the venture must meet the requirements set forth in (a) or (b) above. In addition, an SBIR awardee, together with its affiliates, can not have more than 500 employees. The proposed rule sets forth changes to the ownership and control provisions of 13 CFR 121.702 to allow for expanded VCOC (Venture Capital Operating Company) ownership (as VCOC is defined by the Department of Labor).

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Edsel Brown, Assistant Administrator for Technology, Office of Government Contracting/Business Development, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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RIN: 3245-AF55

3611. • SMALL BUSINESS INVESTMENT COMPANIES—CONFLICTS OF INTEREST

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 662; 15 USC 681 et seq; 15 USC 683; 15 USC 687

CFR Citation: 13 CFR 107

Legal Deadline: None

Abstract: This rule would clarify the circumstances under which a small business investment company must obtain a conflict of interest exemption for a co-investment with an affiliate. In the current regulations, investment by

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an SBIC in a company in which the affiliate has a pre-existing 10 percent or greater ownership interest is addressed in two overlapping provisions, one requiring a conflict of interest exemption and the other requiring SBA's prior written approval (a lower level of regulatory approval than a conflict of interest exemption). The proposed rule would eliminate the

overlap and clarify the specific types of transactions that fall under each provision.

Timetable:

Action	Date	FR Cite
NPRM	03/00/07	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 3245-AF56

Small Business Administration (SBA)

Final Rule Stage

3612. BUSINESS LOANS AND DEVELOPMENT COMPANY LOANS; LIQUIDATION AND LITIGATION PROCEDURES

Priority: Other Significant

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

CFR Citation: 13 CFR 120

Legal Deadline: Final, Statutory, May 21, 2001, Small Business Reauthorization Act of 2000, enacted 12/21/2000, requires publication of rule.

Abstract: This rule would implement statutory provisions authorizing SBA to delegate to qualified Certified Development Companies (CDCs) authority to conduct liquidation and debt collection litigation of loans that are funded with the proceeds of debentures guaranteed by the SBA under the 504 loan program. It also provides for new liquidation and debt collection litigation procedures for authorized CDCs and participating 7(a) lenders. In particular, this rule would establish: (1) Procedures for CDCs to obtain delegated authority for such liquidation and litigation; (2) guidelines for CDCs exercising this authority; (3) procedures for SBA's payment of legal fees and expenses to CDCs and Lenders; and (4) loan sale guidelines among other topics.

Timetable:

Action	Date	FR Cite
NPRM	11/03/05	70 FR 66800
NPRM Comment Period End	01/03/06	
NPRM Comment Period Reopened	01/25/06	71 FR 4062
NPRM Comment Period End	02/24/06	
Final Action	01/00/07	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Walter C. Intlekofer, Director, Portfolio Management Division, Small Business Administration, 409 Third Street SW, Washington, DC 20416
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RIN: 3245-AE83

3613. SIZE FOR PURPOSES OF LONG TERM CONTRACTS; SMALL BUSINESS SIZE REGULATIONS; 8(A) BUSINESS DEVELOPMENT/SMALL DISADVANTAGED BUSINESS STATUS DETERMINATIONS

Regulatory Plan: This entry is Seq. No. 137 in part II of this issue of the Federal Register.

RIN: 3245-AF06

3614. RECORD DISCLOSURE AND PRIVACY

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC 552a

CFR Citation: 13 CFR 102

Legal Deadline: None

Abstract: This rule revises the SBA regulations implementing the Privacy Act of 1974. This rule is to ensure the security and confidentiality of records and to protect against hazard to their integrity. Subpart B addresses the protection of privacy and access to individual records under the Privacy Act and includes procedures for record access appeals, amendments, accounting of disclosures, and record preservation.

Timetable:

Action	Date	FR Cite
Direct Final Rule	12/00/06	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Lisa Babcock, Chief, Freedom of Information Act Office, Small Business Administration, 409 Third Street SW, Washington, DC 20416
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RIN: 3245-AF20

3615. SMALL BUSINESS INNOVATION RESEARCH (SBIR) POLICY DIRECTIVE

Priority: Other Significant

Legal Authority: 15 USC 638(j)(1)

CFR Citation: None

Legal Deadline: None

Abstract: SBA proposed amendments to the Small Business Innovation and Research (SBIR) Program Policy Directive. Those amendments reflected the requirements that Executive Order 13329 "Encouraging Innovation in Manufacturing," February 24, 2004, imposed on SBA and Federal agencies participating in the SBIR Program (70 FR 28975). In accordance with the Executive order, SBA will issue guidelines on implementing the Executive order, including requiring participating agencies to: (1) Give high priority to SBIR projects that are focused on manufacturing-related R&D in a manner consistent with their missions and the purpose of the SBIR program; (2) develop an action plan for implementing the order; and (3) report

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to SBA annually on these implementation plans.

Timetable:

Action	Date	FR Cite
Notice of Proposed Policy Directive	05/19/05	70 FR 28975
Comment Period End	06/20/05	
Final Action	02/00/07	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Edsel Brown, Assistant Administrator for Technology, Office of Government

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RIN: 3245-AF21

3616. PREMIER CERTIFIED LENDERS PROGRAM

Priority: Other Significant

Legal Authority: PL 108-232

CFR Citation: 13 CFR 120

Legal Deadline: Final, Statutory, July 12, 2004, PCLP Improvement Act of 2003, enacted 5/28/2004, requires publication of rule.

Abstract: This rule amends SBA's Premier Certified Lenders Program (PCLP) in accordance with recent statutory amendments to the PCLP. Certified Development Companies (CDCs) participating in the PCLP receive increased authority in connection with making and servicing loans made under SBA's Development Company Loan Program ("504 loans"). One PCLP requirement relates to a loan loss reserve fund ("LLRF"), which a CDC participating in the PCLP ("PCLP CDC") must maintain to cover losses it may incur in connection with 504 loans made under the PCLP ("PCLP loans"). Recent statutory changes to the PCLP have amended PCLP LLRF requirements, most significantly by establishing an alternative set of PCLP LLRF requirements ("Alternative LLRF Requirements") and authorizing certain qualified PCLP CDCs to elect to meet the Alternative LLRF Requirements in lieu of the existing LLRF requirements that would otherwise be applicable. These statutory amendments have been introduced as "pilot" programs, which

are initially scheduled to last approximately 2 years. (All PCLP CDCs will still be required to meet existing LLRF requirements unless it is qualified to elect to meet the Alternative LLRF Requirements and properly makes that election and satisfies the alternative requirements.)

Timetable:

Action	Date	FR Cite
NPRM	05/26/06	71 FR 30323
NPRM Comment Period End	07/25/06	
Final Action	02/00/07	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Charles Thomas, Director, Program Development, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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RIN: 3245-AF23

3617. SMALL BUSINESS SIZE STANDARDS; SUPPORT ACTIVITIES FOR AIR TRANSPORTATION

Priority: Other Significant

Legal Authority: 15 USC 632(a)

CFR Citation: 13 CFR 121

Legal Deadline: None

Abstract: This rule revises the \$6.5 million small business size standard applicable to airport operations and other support activities for air transportation. This rule was developed after an internal review conducted by SBA suggested that the size standard did not reflect the structural characteristics of firms in this industry.

Timetable:

Action	Date	FR Cite
NPRM	05/17/06	71 FR 28604
NPRM Comment Period End	06/16/06	
Final Action	03/00/07	

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Sectors Affected: 488111 Air Traffic Control; 488119 Other Airport Operations; 48819 Other Support Activities for Air Transportation

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3618. AMENDMENTS TO THE HUBZONE PROGRAM

Priority: Other Significant

Legal Authority: 15 USC 632 (p), 657a (b) (d)

CFR Citation: 13 CFR 126

Legal Deadline: None

Abstract: This rule implements statutory amendments of the Small Business Reauthorization and Manufacturing Assistance Act of 2004, subtitle E, HUBZone Program (Reauthorization Act), and makes SBA regulations consistent with the changes in law.

The purpose of the HUBZone program is to provide Federal contracting assistance for qualified small business concerns (SBCs) located in historically underutilized business zones, or HUBZones, in an effort to promote economic development and employment opportunities in those areas. To receive SBA certification as a qualified HUBZone SBC under current SBA regulations, an SBC must show: (1) It is exclusively owned and controlled by persons who are U.S. citizens; (2) it has a principal office in a HUBZone; (3) at least 35 percent of its employees reside in a HUBZone; and (4) the SBC must certify that it will attempt to maintain that percentage during performance of the HUBZone contract and that it will comply with certain performance requirements of the HUBZone contract. SBA designates areas as HUBZones using data from the U.S. Census Bureau and the Department of Labor in accordance with law.

Among other things, the Reauthorization Act amended eligibility requirements for SBC certification under the Small Business Act and made changes relating to HUBZone designations. These amendments became law on December 8, 2004, and took effect immediately upon enactment. Accordingly, this rule revises 13 CFR part 126 to conform SBA regulations to various amendments under the Reauthorization Act. This

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rule: (1) Authorizes HUBZone firms to be at least 51 percent owned and controlled by U.S. citizens; (2) amends the definition of the term "HUBZone small business concern" to include small agricultural cooperatives organized and incorporated in the U.S.; (3) designates base closure areas that have undergone final closure as qualified HUBZones for a period of 5 years; (4) amends the definition of a "qualified non-metropolitan county" to allow for a comparison of the county's unemployment rate to either the Statewide average or the national average, whichever is less; and (5) extends the redesignation period for HUBZone areas through the release of the 2010 census data. This rule amends the HUBZone price preference for agricultural commodities purchased for export operations through international food aid programs by providing a 5 percent evaluation preference on 20 percent of the contract.

Timetable:

Action	Date	FR Cite
Interim Final Rule	08/30/05	70 FR 51243
Interim Final Rule Comment Period End	10/31/05	
Final Action	02/00/07	

Regulatory Flexibility Analysis**Required:** No

Small Entities Affected: Businesses, Governmental Jurisdictions, Organizations

Government Levels Affected: Federal, Tribal

Additional Information: Comments received by the 10/31/2005 deadline resulted in the Agency considering a revision to 126.607 to reflect a General Service Administration concern that the published rule was overly broad. Publication of the revision will follow internal SBA review of proposed text.

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RIN: 3245-AF31**3619. WOMEN-OWNED SMALL BUSINESS FEDERAL CONTRACT ASSISTANCE PROGRAM****Priority:** Other Significant**Legal Authority:** 15 USC 637(m); 15 USC 637(d)**CFR Citation:** 13 CFR 125**Legal Deadline:** None

Abstract: SBA proposes to establish regulations to implement the Women-Owned Small Business Federal Contract Assistance Program, authorized under section 8(m) of the Small Business Act. Section 8(m) was enacted as part of Public Law 106-554 to provide a targeted procurement mechanism to assist Federal agencies in achieving the statutory goal of 5 percent for contracting with women-owned small businesses (WOSBs). In accordance with section 8(m), the new regulations would authorize contracting officers to restrict competition to eligible WOSBs for certain Federal contracts in industries in which SBA has determined that WOSBs are underrepresented or substantially underrepresented in Federal procurement. Also consistent with section 8(m), the authority to restrict competition would be limited to contracts not exceeding \$3 million, or \$5 million in the case of manufacturing contracts. In implementing section 8(m) the proposed regulations would further provide the specific eligibility requirements for WOSBs to qualify for program participation; the procedures for concerns to certify their eligibility; the process for SBA to verify the continuing eligibility of WOSBs; the contractual and business development assistance available under the program; the relevant protest and appeal procedures; and the applicable penalties.

Timetable:

Action	Date	FR Cite
NPRM	06/15/06	71 FR 34550
NPRM Comment Period End	07/17/06	
Final Action	03/00/07	

Regulatory Flexibility Analysis**Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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RIN: 3245-AF40**3620. SMALL BUSINESS SIZE STANDARDS; INFLATION ADJUSTMENT****Priority:** Other Significant**Legal Authority:** 15 USC 632(a)**CFR Citation:** 13 CFR 121**Legal Deadline:** None

Abstract: SBA is adjusting its monetary-based size standards (e.g., receipts, net income, net worth, and financial assets), for the effect of inflation that has occurred since the last inflation adjustment in February 2002. Since the last inflation adjustment, the general level of prices has increased 8.7 percent. This action restores small business eligibility to businesses that have lost that status due to inflation. In addition, this rule changes the process for determining the size of small business concerns applying for SBA Business Loans and Economic Injury Disaster Loans (EIDL) from a test considering only the primary industry of the applicant to a two-part test to consider also the primary industry of the applicant with affiliates. This rule also changes the date on which SBA determines size status for purpose of EIDL applications for businesses located in disaster areas declared as a result of Hurricanes Katrina, Rita, and Wilma.

Timetable:

Action	Date	FR Cite
Interim Final Rule	12/06/05	70 FR 72577
Interim Final Rule Comment Period End	01/05/06	
Final Action	03/00/07	

Regulatory Flexibility Analysis**Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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3621. AMENDMENTS TO THE DISASTER LOAN PROGRAM**Priority:** Other Significant**Legal Authority:** 15 USC 634 (b) (6), 636 (b), 636 (c) and 636 (f)**CFR Citation:** 13 CFR 101, 123**Legal Deadline:** None

Abstract: SBA's Office of Disaster Assistance (ODA) is implementing a reorganization plan which realigns its employees and space to operate more efficiently to better serve its customers, the disaster victims. Part of the reorganization plan allows the Administrator to name and list five disaster centers, four of which involve program administration (e.g., field operations, customer service, and loan processing) and the fifth that provides administrative support to the other disaster centers. In addition, the SBA is implementing a fully web-enabled technology, which allows the ODA to process disaster loans anywhere at any time.

Timetable:

Action	Date	FR Cite
Direct Final Rule	03/00/07	

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

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RIN: 3245-AF42**3622. BUSINESS LOAN PROGRAM; LENDER EXAMINATION AND REVIEW FEES****Priority:** Other Significant**Legal Authority:** 15 USC 634 (B)(14)**CFR Citation:** 13 CFR 120**Legal Deadline:** None

Abstract: The purpose of this action is to implement the fee authority that Congress recently granted SBA in section 131 of Division K of Public Law 108-447. SBA is authorized to require lenders that make loans under section 7 of the Small Business Act to pay fees to cover the Agency's cost of lender examinations and reviews and other lender oversight activities. Under the proposed rules, SBA would have the authority to assess fees to cover the costs of the following lender oversight activities: (1) On-site safety and soundness examinations of Small Business Lending Companies and non-

federally regulated lenders (together "SBA Supervised Lenders"); (2) on-site reviews of other 7(a) lenders (which SBA intends at this time for such lenders with \$10 million or more in outstanding SBA guarantees); (3) off-site quarterly reviews of all lenders; and (4) other lender oversight activities.

SBA contracts with other financial services entities to assist in conducting the reviews and examinations. SBA's proposed assessment methodology will primarily cover the direct costs charged by these contractors.

Timetable:

Action	Date	FR Cite
NPRM	09/05/06	71 FR 52296
NPRM Comment Period End	11/09/06	
Final Action	02/00/07	

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

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RIN: 3245-AF49

Small Business Administration (SBA)

Long-Term Actions

3623. AMENDMENTS TO THE SURETY BOND GUARANTEE PROGRAM REGULATIONS**Priority:** Other Significant**CFR Citation:** 13 CFR 115**Timetable:**

Action	Date	FR Cite
NPRM	09/26/06	71 FR 56049
NPRM Comment Period End	10/26/06	
Final Action	12/00/07	

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

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Small Business Administration (SBA)

Completed Actions

3624. SMALL BUSINESS INVESTMENT COMPANIES—MAXIMUM LEVERAGE ELIGIBILITY**Priority:** Substantive, Nonsignificant**CFR Citation:** 13 CFR 107**Completed:**

Reason	Date	FR Cite
Withdrawn	07/11/06	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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SBA

Completed Actions

3625. SMALL BUSINESS SIZE STANDARDS; SURETY BOND GUARANTEE PROGRAM

Priority: Other Significant

CFR Citation: 13 CFR 121

Completed:

Reason	Date	FR Cite
Final Action	10/24/06	71 FR 62204

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3245-AE81

3626. 8(A) BUSINESS DEVELOPMENT/SMALL DISADVANTAGED BUSINESS STATUS DETERMINATIONS

Priority: Info./Admin./Other

CFR Citation: 13 CFR 124

Completed:

Reason	Date	FR Cite
Withdrawn	08/08/06	

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3245-AF17

3627. RULES OF PROCEDURE GOVERNING CASES BEFORE THE OFFICE OF HEARINGS AND APPEALS ARISING FROM THE SERVICE-DISABLED, VETERAN-OWNED SMALL BUSINESS CONCERN PROGRAM

Priority: Other Significant

CFR Citation: 13 CFR 134

Completed:

Reason	Date	FR Cite
Interim Final Rule	02/24/05	70 FR 8923
Interim Final Rule	03/28/05	
Comment Period		
End		

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: Federal

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Related RIN: Split from 3245-AF16

RIN: 3245-AF25

3628. SMALL BUSINESS SIZE STANDARDS; SECURITY GUARDS AND PATROL SERVICES

Priority: Other Significant

CFR Citation: 13 CFR 121

Completed:

Reason	Date	FR Cite
Final Action	06/30/06	71 FR 37490

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3245-AF28

3629. SMALL BUSINESS SIZE STANDARDS; MAPPING SERVICES

Priority: Other Significant

CFR Citation: 13 CFR 121

Completed:

Reason	Date	FR Cite
Withdrawn	07/11/06	

Regulatory Flexibility Analysis

Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3245-AF30

3630. SMALL BUSINESS SIZE STANDARDS—EXCLUSION OF CERTAIN SECURITY EXPENSES FROM CONSIDERATION FOR PURPOSES OF SMALL BUSINESS SIZE STANDARDS

Priority: Other Significant

CFR Citation: 13 CFR 121.104

Completed:

Reason	Date	FR Cite
Withdrawn	09/30/06	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

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