

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

SMALL BUSINESS ADMINISTRATION

13 CFR Part 120

Business Loan Program

AGENCY: U.S. Small Business Administration.

ACTION: Advance notice of proposed rulemaking (ANPRM); notice of extension of the comment period.

SUMMARY: By means of an advance notice of proposed rulemaking (ANPRM), the U.S. Small Business Administration (SBA) is requesting comments addressing the Certified Development Company (CDC) Loan Program (the "CDC Program" or the "504 Program"). After a review of the comments, SBA will consider proposing amendments to existing program regulations that will improve overall program management.

SBA is revisiting the 504 Program policies as a prudent management exercise in light of major changes in the economy, the financial services industry, technology, and in CDCs' operations since the program's inception in 1980. The review has also been prompted by SBA's on-going discussions with the 504 industry and by specific requests made to SBA to expand CDCs' product base to include 7(a) loans or Small Business Investment Companies. In particular, SBA is seeking comments on the following: Whether the 504 Program is meeting its statutory purpose as defined in section 501(a) of the Small Business Investment Act; the appropriate long-term goals and annual performance measures for the program given its statutory requirement; the appropriate data elements required to assure solid program oversight while minimizing public data collection burdens; operational or regulatory impediments to providing long-term financing in rural or urban areas; and programmatic changes that could increase CDC competition and increase small businesses' access to loans.

The ANPRM is intended to stimulate dialogue on these and other issues

pertaining to the CDC Program. The ANPRM was published on December 6, 2002, 67 FR 72622. The comment period closes on February 4, 2003. Because of the broad range of topics and issues addressed in the ANPRM, and due to requests from the public and members of Congress, SBA is extending the time period for comments by an additional 30 days to March 6, 2003. We do this because of our desire to have a meaningful dialogue on the important issues that seek to enhance SBA's efforts to serve small businesses through the CDC Program.

DATES: The comment period for the ANPRM published December 6, 2002 (67 FR 72622) is extended through March 6, 2003.

ADDRESSES: Address all comments to: James E. Rivera, Associate Administrator for Financial Assistance, U.S. Small Business Administration, 409 Third Street, SW., 8th Floor, Washington, DC 20416. Comments may be sent by e-mail to ANPR@sba.gov.

FOR FURTHER INFORMATION CONTACT: Gail H. Hepler, Chief, 504 Loan Policy Branch, U.S. Small Business Administration, 409 Third Street, SW., 8th Floor, Washington, DC 20416. Questions may be sent by e-mail to gail.hepler@sba.gov or by telephone at (202) 205-7530. This is not a toll-free number.

Dated: January 27, 2003.

James E. Rivera,
Associate Administrator for Financial Assistance.

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SMALL BUSINESS ADMINISTRATION

13 CFR Part 121

RIN 3245-AF03

Small Business Size Standards; Facilities Support Services (Including Base Maintenance)

AGENCY: Small Business Administration (SBA).

ACTION: Proposed rule.

SUMMARY: The U.S. Small Business Administration (SBA) proposes to increase the size standard for the Facilities Support Services industry (North American Industry Classification System (NAICS) code 561210) from \$6

million in average annual receipts to \$30 million and the size standard for the sub-category of Base Maintenance from \$23 million to \$30 million. This proposed revision is being made to better define the size of businesses in this industry that the SBA believes should be eligible for Federal small business assistance programs.

DATES: Comments must be received on or before April 4, 2003.

ADDRESSES: Send written comments to Gary M. Jackson, Assistant Administrator for Size Standards, 409 Third Street, SW, Mail Code 6530, Washington DC 20416; by email to SIZESTANDARDS@sba.gov; or by facsimile at (202) 205-6390. Upon request, SBA will make all public comments available to any person or entity.

FOR FURTHER INFORMATION CONTACT: Diane Heal, Office of Size Standards, Office of Government Contracting and Business Development, (202) 205-6618.

SUPPLEMENTARY INFORMATION: SBA has received requests from firms in the Facilities Support Services industry to review its \$6 million size standard for this industry and the \$23 million size standard for Base Maintenance, a sub-category of the industry. These size standards are based on annual receipts of the business, as described in 13 CFR 121.104. These firms argue that a size standard increase is warranted to reflect the size of Federal contracts issued in this area. These contracts include a broad spectrum of services involving administrative support, custodial services, facilities repair and maintenance, and technical services, which often are \$10 million per year or more in value. A small business can lose its small businesses status with only one or two contracts. Costs on these types of contracts have increased greater than the general inflation rate, especially due to changes in the mandated labor rates under the Service Contract Act and increased health insurance costs. The requestors believe that to help develop small businesses to be competitive with large businesses in this industry, the size standard should be increased to the \$25 million to \$30 million range.

Based on a review of these issues and data on the Facilities Support Services industry, SBA concludes that a higher size standard for activities in this industry is supportable. This rule