

**SBA FIRST REPORT OF RETROSPECTIVE REVIEW EFFORTS**  
**POSTED: 01/23/2011**

| <b>RIN/OMB<br/>CONTROL<br/>NUMBER</b> | <b>TITLE OF<br/>INITIATIVE/RULE/ICR</b>  | <b>BRIEF DESCRIPTION</b>  | <b>ACTUAL OR<br/>TARGET<br/>COMPLETION<br/>DATE</b> | <b>ANTICIPATED SAVINGS IN COSTS<br/>AND/OR INFORMATION COLLECTION<br/>BURDENS, TOGETHER WITH ANY<br/>ANTICIPATED CHANGES IN BENEFITS<br/>(PLEASE QUANTIFY, TO THE EXTENT<br/>FEASIBLE, AND SPECIFY BASELINE, TIME<br/>HORIZON, &amp; AFFECTED GROUPS)</b>   | <b>PROGRESS UPDATES AND ANTICIPATED<br/>ACCOMPLISHMENTS</b>  |
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| 1.<br><br>TBD                         | Expedite Payments to Small Business Contractors  | Government-wide initiative to accelerate payment to small business contractors; specifically to pay invoices within 15 days of receipt instead of 30 days as required by the Prompt Payment Act.  | 11/15/2011  | The Office of Federal Procurement Policy ("OFPP") has requested more information from Agencies.   | In compliance with OMB memo M-11-32, SBA instituted policy to pay invoices from small business concerns within 15 days of receipt, effective 11/15/2011.   |
| 2.<br><br>3245-AG07                   | Small Business Size Standards; Professional, Scientific and Technical Services (Sector 54) | SBA is authorized to develop the size standards that are the basis for establishing eligibility for federal financial assistance and contracting opportunities. All of these size rules are part of a comprehensive effort to review all of the current size standards to determine which standards should be retained or revised, based in part on Federal or industry procurement practices, and current economic conditions. | 2nd Quarter of FY 2012.                             | This rule proposed to increase size standards for 34 industries and 3 sub-industries ("exceptions") in Sector 54. It is estimated that about 8,350 businesses that do not qualify as small under the current size standards will qualify under the revised size standards, if adopted. Besides having to complete the Central Contractor Registration ("CCR")/ Online Representations and Certifications Application ("ORCA"), to participate in Federal assistance programs, the rule entails no additional burdens on small businesses. | The Proposed Rule was published in the Federal Register on March 16, 2011 (76 FR 14323) and the comment period ended on June 15, 2011. The final rule is currently under OMB review and is expected in the 2 <sup>nd</sup> Quarter of FY 2012. |
| 3.<br><br>3245-AG08                   | Small Business Size Standards; Transportation and Warehousing Industries (Sectors 48-49)   | See #2 above.   | 2nd Quarter of FY 2012.                             | This rule proposes to increase size standards for 22 industries in Sectors 48-49. It is estimated that about 1,200 businesses that do not qualify as small under the current size standards will qualify under the revised size standards, if adopted. Besides having to complete CCR/ORCA, to participate in Federal assistance programs, the rule entails no additional burdens on small businesses.  | The Proposed Rule was published in the Federal Register on May 13, 2011 (76 FR 27935) and the comment period ended on July 12, 2011. The final rule is currently under OMB review and is expected in the 2nd Quarter of FY 2012.               |
| 4.<br><br>3245-                       | Small Business Size Standards for Utilities  | See #2 above.   | 2 <sup>nd</sup> Quarter of FY 2013.                 | To be determined.   | This rule is in process. The publication of the proposed rule is expected in the 3rd Quarter of FY   |

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| AG25                | Industries (Sector 22)  |               |                         |   | 2012.   |
| 5.<br>3245-<br>AG26 | Small Business Size Standards; Information (Sector 51)  | See #2 above. | 3rd Quarter of FY 2012. | This rule proposes to increase size standards for 15 industries in Sector 51. It is estimated that about 500 businesses that do not qualify as small under the current size standards will qualify under the proposed size standards, if adopted. Besides having to complete CCR/ORCA, to participate in Federal assistance programs, the rule entails no additional burdens on small businesses.                         | Initial review completed. The proposed rule was published in the Federal Register on October 12, 2011 (76 FR 63216). Public comments were solicited until December 12, 2011. The final rule is expected in the 3rd Quarter of FY 2012.      |
| 6.<br>3245-<br>AG27 | Small Business Size Standards; Administrative and Support, Waste Management and Remediation Services Industries (Sector 56) | See #2 above. | 3rd Quarter of FY 2012. | This rule proposes to increase size standards for 37 industries in Sector 56. It is estimated that about 2,700 businesses that do not qualify as small under the current size standards will qualify under the proposed size standards, if adopted. Besides having to complete CCR/ORCA, to participate in Federal assistance programs, the rule entails no additional burdens on small businesses.                       | Initial review completed. The proposed rule was published in the Federal Register on October 12, 2011 (76 FR 63510). Public comments were solicited until December 12, 2011. The final rule is expected in the 3rd Quarter of FY 2012.      |
| 7.<br>3245-<br>AG28 | Small Business Size Standards: Real Estate, Rental and Leasing Industries (Sector 53)                                       | See #2 above. | 4th Quarter of FY 2012. | This rule proposes to increase size standards for 20 industries and one-sub-industry in Sector 53. It is estimated that about 13,000 businesses that do not qualify as small under the current size standards will qualify under the proposed size standards, if adopted. Besides having to complete CCR/ORCA, to participate in Federal assistance programs, the rule entails no additional burdens on small businesses. | Initial review completed. The proposed rule was published in the Federal Register on November 15, 2011 (76 FR 70680). The 60 day public comment period ended on January 17, 2012. The final rule is expected in the 4th Quarter of FY 2012. |
| 8.<br>3245-<br>AG29 | Small Business Size Standards; Educational Services Industries (Sector 61)  | See #2 above. | 4th Quarter of FY 2012. | This rule proposes to increase size standards for nine industries in Sector 61. It is estimated that about 1,500 businesses that do not qualify as small under the current size standards will qualify under the revised size standards, if adopted. Besides having to complete CCR/ORCA, to participate in Federal assistance programs, the rule entails no additional burdens on small businesses.                      | Initial review completed. The proposed rule was published in the Federal Register on November 15, 2011 (76 FR 70667). The 60 day public comment period ended on January 17, 2012. The final rule is expected in the 4th Quarter of FY 2012. |

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| 9.<br>3245-<br>AG30  | Small Business Size Standards; Health Care and Social Assistance Services Industries (Sector 62) | See #2 above. | 1 <sup>st</sup> Quarter of FY 2013. | To be determined. | Initial review completed. The proposed rule is currently under review at OMB. The final rule is expected in the 4 <sup>rd</sup> Quarter of FY 2012. |
| 10.<br>3245-<br>AG36 | Small Business Size Standards; Arts, Entertainment and Recreation (Sector 71)                    | See #2 above. | 2 <sup>nd</sup> Quarter of FY 2013. | To be determined. | This rule is in process. The final rule is expected in the 3 <sup>rd</sup> Quarter of FY 2012.  |
| 11.<br>3245-<br>AG37 | Small Business Size Standards; Construction (Sector 23)  | See #2 above. | 2 <sup>nd</sup> Quarter of FY 2013. | To be determined. | This rule is in process. The final rule is expected in the 3 <sup>rd</sup> Quarter of FY 2012.  |
| 12.<br>3245-<br>AG43 | Small Business Size Standards; Agriculture, Forestry, Fishing and Hunting (Sector 11)            | See #2 above. | 3 <sup>rd</sup> Quarter of FY 2013. | To be determined. | This rule is in progress. The publication of the Proposed Rule is expected in the 3 <sup>rd</sup> or 4 <sup>th</sup> Quarter of FY 2012.            |

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| 13.<br>3245-AG44 | Small Business Size Standards; Mining, Quarrying, and Oil and Gas Extraction (Sector 21)                  | See #2 above.   | 3 <sup>rd</sup> Quarter of FY 2013. | To be determined.                                    | This rule is in progress. The publication of the Proposed Rule is expected in the 3 <sup>rd</sup> or 4 <sup>th</sup> Quarter of FY 2012.                  |
| 14.<br>3245-AG45 | Small Business Size Standards; Management of Companies and Enterprises; Finance and Insurance (Sector 52) | See #2 above.   | 3 <sup>rd</sup> Quarter of FY 2013. | To be determined.                                    | This rule is in progress. The publication of the Proposed Rule is expected in the 3 <sup>rd</sup> or 4 <sup>th</sup> Quarter of FY 2012.                  |
| 15.<br>3245-AF84 | Small Business Innovation Research (SBIR) Program Policy Directive  | The SBIR program is designed to increase small business participation in federal research and development; stimulate their technological innovations; foster and encourage participation by minority and disadvantaged persons in technological innovation; and increase private sector commercialization of technology derived from federal research and development. The SBIR Policy Directive provides guidance for federal government personnel who are involved in the administration of the SBIR Program. The program has undergone several changes since the directive was last reviewed, notably the amendments included in the recent reauthorization act. Review will ensure that the directive reflects these changes. | FY 2012                             | Will conduct analysis as part of amendatory process. | SBIR Program reauthorized as part of the National Defense Reauthorization Act of 2012 (12/31/11). A revised policy directive is anticipated by 6/30/2012) |

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| 16.<br>3245-AF45  | Small Business Technology Transfer (STTR) Policy Directive | The STTR program provides research and development funding to small businesses (in partnership with nonprofit research institutions) to move ideas from the laboratory to the marketplace, foster high-tech economic development; and address the technological needs of the federal government. Changes similar to those proposed for the SBIR program described above, will be implemented.   | FY 2012           | Will conduct analysis as part of amendatory process.  | STTR Program reauthorized as part of the National Defense Reauthorization Act of 2012. (12/31/11). A revised Policy Directive is anticipated by 6/30/2012. |
| 17.<br>TBD  | Surety Bond Guarantee Program Information Collection       | The Surety Bond Guarantee (SBG) program guarantees bid, performance and payment bonds for individual contracts for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA's guarantee gives sureties an incentive to provide bonding for eligible contractors, and thereby provides greater access to contracting opportunities.  | FY2012-<br>FY2013 | Review of costs and benefits of action in progress.   | SBA is working on a streamlined application modeled after a surety bond industry standard. This application would be used for bonds of a certain size.     |
| 18.<br>SBA Form 1531, Application for Certificate of Competency<br><br>OMB Control Number 3245-0225 | Certificate of Competency Information Collection           | To help ensure that small businesses, especially those that are new to the federal procurement arena, are given a fair opportunity to compete for and receive government contracts the Certificate of Competency (COC) program provides an avenue for a small business to appeal a contracting officer's determination that the firm is unable to fulfill the requirements of a specific government contract on which it is the apparent low bidder. If the business demonstrates that it has the ability to perform, SBA issues a COC to the contracting officer requiring the award of that specific contract to the small business. SBA Form 1531 (OMB Control Number 3245-0225) is used to collect information pertinent to the | FY2012            | The changes made by the revised SBA Form 1531, Application for Certificate of Competency, improves the quality of responses and reduces the error rate and need for small businesses to submit revised forms. | SBA Form 1531 was updated and approved by OMB in December 2011 with an expiration date of September 30, 2014.  |

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|                |   | appeal process. SBA evaluated this form to ensure it collects only the minimum information necessary to make a determination and that it provides clear instructions  |                 |   |   |
| 19.<br><br>TBD | Service-Disabled Veteran-Owned Small Business Concerns (SDVOSB) | The SDVOSB program provides procuring agencies with the authority to set aside acquisitions for exclusive competition among service-disabled veteran-owned small business concerns, as well as the authority to make sole source awards such concerns. SBA has made several changes to the program since it was first implemented in 2004; however SBA has determined that additional changes are warranted to make the program consistent with similar contracting programs at SBA, clarify certain requirements, and enhance the integrity of the program to ensure the benefits flow to the intended program participants. | FY 2012-FY 2013 | Review of costs and benefits of action in progress. | Review of program regulations is underway; completed; Draft regulations are expected to be developed during FY 2012.                                    |
| 20.<br><br>TBD | HUBZone (Historically Underutilized Business Zones)             | The HUBZone regulations will be amended to address the inconsistent or misapplication of certain program processes and procedures. The amendments will make it easier for participants to comply with the program requirements and enable them to maximize the benefits afforded by participation.  | FY2012          | Review of costs and benefits of action in progress. | Initial review is well underway. Draft proposed rule is expected to be developed during FY2012.   |
| 21.<br><br>TBD | Single Electronic Application for 7(a) LOANS                    | An e-Application for all loans guaranteed under SBA's 7(a) loan program would reduce the amount of paperwork that lenders must submit to SBA or retain in their files. The anticipated improved business processes and reduced paperwork burden have the potential to result in   | FY2012          | Review of costs and benefits of action in progress. | Eighty-nine percent of 7(a) loans are processed electronically via the same electronic application. SBA is evaluating how to incorporate the other 11%. |

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|            |  | increased lender participation and greater access to lending for small businesses.   |  |  |   |
| 22.<br>TBD | Automated Credit Decision Model for 7(a) Loan Program  | This credit scoring methodology would enable lenders making loans of \$250K or less to reduce the time and other resources spent underwriting and processing loans.  | FY2012   | Review of costs and benefits of action in progress.  | Developing a plan to better leverage credit scores in 7(a) loan decision.   |
| 23.<br>TBD | Uniform SBIR Portal For Information and Solicitations  | Goal is to provide a common mechanism that would obviate the need for grant applicants to submit their SBIR proposals to multiple agencies. Instead, proposals entered into this system would automatically port to other agencies' systems.   | FY2012   | Review of costs and benefits of action in progress.  | SBIR Portal, sbir.gov, launched on August 1, 2011. Additional components to be added during FY 2012.  |
| 24.<br>TBD | Integrated Certification and Program Management System | This system would allow the HUBZone and 8(a) programs to process certifications and other program functions ( e.g. protests, and annual reviews) electronically. This approach would reduce the amount of paperwork that a small business has to submit to SBA, and increase the efficiency of the program.                                    | FY2012   | The planned initiative is projected to result in substantial maintenance cost savings after deployment in FY2013. In addition to reducing waste fraud and abuse, it will support three new programs and business processes currently handled manually.   | Expected deployment in FY 2013. Contract for development anticipated to be awarded in FY 2012, with work performance to begin in FY 2012.   |
| 25.<br>TBD | Auto-approve Disaster Loans Based on Credit Scores     | Changing this process would allow SBA more flexibility to design a loan approval that is in line with current private sector practices and reduce the processing cost for lower dollar disaster loans. According to a recent portfolio analysis, disaster loan borrowers with a FICO score of 725 or more, pose limited risk to the portfolio. | FY2012 – Review and Develop Regulation change to 13 CFR 123.6 definition.<br><br>FY2013 – Build out requirements, development and testing prior to placing | This planned automated scoring methodology would reduce the costs of underwriting such loans and improve the timeliness of delivering the loan proceeds to the disaster victims, without compromising the agency's fiduciary responsibility.<br><br>SBA anticipates no changes to the information collection burden. | A process improvement team has been established to review the current disaster credit box. The anticipated outcome will be an auto approval process similar to private sector mortgage companies. |

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|            |  |   | process into live production.  |  |   |
| 26.<br>TBD | Automate Process of Receiving Insurance Recovery Information | Under the disaster loan program, loan eligibility is based on the uncompensated disaster loss. Being able to automate the insurance recovery information would enhance our ability to ensure that insurance proceeds are addressed and no duplication of benefits occurs as a result of insurance recovery after loan approval. | FY 2012/FY 2013 - Build out requirements, development and testing prior to placing process into live production. | <p>This would reduce the possibility that disaster victims being asked to repay erroneously disbursed Federal disaster benefits.</p> <p>SBA anticipates no changes to the information collection burden.</p> | A process improvement team has been established to review the insurance recovery process. The anticipated outcome will be obtaining entry into a national insurance recovery data base. |