

SBA JANUARY 2016 RETROSPECTIVE REVIEW UPDATE

RIN/OMB CONTROL NUMBER	TITLE OF INITIATIVE/RULE OR ICR	SUMMARY OF INITIATIVE	STATUS OF INITIATIVE	TARGET COMPLETION DATE	DOES INITIATIVE CONTAIN PILOT PROJECTS, SAFE HARBOR EXEMPTIONS, TRIGGER PROVISIONS, STREAMLINED REQUIREMENTS, STATE FLEXIBILITIES, OR OTHER SIMILAR STRATEGIES?	DOES INITIATIVE EMPLOY ANY TYPE OF EXPERIMENTAL DESIGN Y/N	IF SO, PLEASE BRIEFLY DESCRIBE	WHAT METHODS WILL YOU ENGAGE IN TO IDENTIFY IMPROVEMENTS (PUBLIC COMMENT, ANALYSES, THIRD PARTY ASSESSMENTS, ETC.)?	ANTICIPATED OR REALIZED SAVINGS IN COSTS AND/OR BURDENS AND ANTICIPATED OR REALIZED CHANGES IN BENEFITS
1. SBA 3245-AG73	Affiliation for Business Loan Programs and Surety Bond Guarantee Program	The rule would simplify the consideration of affiliated individuals and groups of individuals, which often own minority stakes in multiple businesses.	Ongoing	3rd Quarter of FY 2016 for Final Rule	Streamlined requirements	No	N/A	The Proposed Rule was published on Oct. 2, 2015 (80 FR 59667). The public comment period closed on Dec. 1, 2015.	The proposed rule would: --eliminate unnecessary cost burdens on loan applicants' and lenders' participation in SBA-guaranteed loans --exempt the Business Loan Programs and SBG Program from certain government contracting rules that determine whether an entity is deemed affiliated with an applicant.
2. OMB Control	SBA One (Single Electronic Application for 7(a) Loans)	An e-Application for all loans guaranteed under SBA's 7(a)	Ongoing	2nd Quarter of FY 2017 (phased implementation)	Streamlined requirements; digital signature; eligibility	No	N/A	Testing and piloting with all segments of our lending partner	Over 90 percent of 7(a) loans are processed

Numbers 3245-0016; 3245-0348; and 3245-0361		loan program would reduce the amount of paperwork that lenders must submit to SBA. The anticipated improved business processes and reduced paperwork burden have the potential to result in increased lender participation and greater access to lending for small businesses.			decision trees; and document management			community	electronically via the same electronic application. Lenders new to SBA lending and very small lenders may find it difficult to move to complete electronic application processing. An increase to 94% may be the optimal achievement of this initiative. SBA is evaluating how to incorporate the remaining percentage and achieve 100 percent.
3. OMB Control Numbers: 3245-0331 and 3245-0205	8(a) Business Development Program	SBA is undertaking a comprehensive review of the information collected from applicants and participants in the 8(a) Business Development Program. This review will focus on the Application for the 8(a) Business Development Program (3245-0331) and the 8(a) Annual Update (3245-0205) but will also encompass	Ongoing	2nd Quarter of FY 2017	Expected streamlined requirements	No	N/A	A Data Collection Notice was published in the Federal Register on Nov. 17, 2015 (80 FR 71907). The comment period closes Jan. 19, 2016.	Review of costs and benefits of action to be determined.

		other information collections that are associated with the application and reporting phases. The agency will: --assess the practical utility of the information currently collected and determine where such information can be streamlined, clarified or amended; --evaluate the internal processes related to these collections of information; and --make any changes that are deemed impediments to program participation or will reduce burden for the program applicants or participants, including form and regulatory changes, as needed.							
4. RIN 3245- AG64	Small Business Innovation Research Program and Small Business Technology Transfer Program Policy Directive	SBA is proposing amendments to the Small Business Innovation Research (SBIR) and Small Business Technology	Ongoing	2nd Quarter of FY 2016 for Proposed Rule	No	No	N/A	The Advance Notice of Proposed Rulemaking was published on Nov. 7, 2014 (79 FR 66342). The public comment	Review of costs and benefits of action in progress.

		Transfer (STTR) Policy Directives to: --clarify program policy regarding: SBIR/STTR data rights; --clarify the Government's responsibilities with respect to SBIR/STTR Phase III awards; --address other miscellaneous topics including the calculation of extramural R/R&D; and -- combine the directives for the two programs into a single document to simplify the reference and revision processes.						period closed Jan. 6, 2015.	
5. SBA	Changes due to U.S. Supreme Court decision in <i>U.S. v. Windsor</i> ; some SBA forms instructions may need revision.	SBA reviewed its programs and authorities to ensure implementation of the court decision to treat married same sex couples the same as married opposite sex couples under Federal programs	Completed	4th Quarter of FY 2015	No	No	N/A	SBA conducted outreach and education to SBA program participants, lenders, borrowers, contractors, grantees, resource partners, and to the public through various education avenues. SBA Information Notice #7000-0208, Changes in Law due	N/A

								to U.S. Supreme Court Decisions in <i>U.S. v. Windsor</i> and <i>Obergefell v. Hodges</i> was issued on July 7, 2015.	
6. RIN 3245- AG02	Office of Women Owned Business: Women's Business Center Program	This rule will propose codifying the program requirements and procedures for Women's Business Centers including: --eligibility criteria for selection as a WBC; --use of Federal funds; --standards for effectively carrying out program duties and responsibilities; and --requirements for reporting on financial and programmatic performance.	Ongoing	4th quarter FY 2016 for Proposed Rule	No	No	N/A	The Advance Notice of Proposed Rulemaking was published in the Federal Register on April 22, 2015 (80 F.R. 22434). The public comment period closes on June 22, 2015	Review of costs and benefits of action in progress.
7. RIN 3245- AG65	Small Business Investment Companies (SBIC); Administrative Fees	The Small Business Investment Act of 1958, as amended, authorizes SBA to collect licensing fees from applicants and examination fees from SBICs to offset administrative costs related to licensing and examination	Ongoing	4th Quarter of FY 2016 for Proposed Rule	No	No	N/A	Public outreach and comment	Review of costs and benefits of action in progress.

		activities. SBA last adjusted SBIC licensing fees in 1996 and examination fees in 1998. These fees currently cover only a fraction of necessary SBA administrative expenses related to these activities.							
8. RIN 3245- AG66	Small Business Investment Company (SBIC) Program- Impact SBICs	This rule will propose a regulatory structure for the SBIC Program's Impact Investment Fund, which is currently being implemented through a policy memorandum. The rule will also propose a new type of SBIC license called the Impact SBIC license and will include application and examination fee considerations to incentivize Impact Investment Fund participation. The new license will be available to investment funds that commit to invest at least 50% of their invested	Ongoing	2nd Quarter of FY 2017 for Final Rule	No	No	N/A	The Proposed Rule was published in the Federal Register on February 3, 2016 (81 FR 5666). The public comment period will close March 4, 2016.	Review of costs and benefits of action in progress.

		capital in impact investments as defined in the rule. The rule will also propose the reporting and performance measures for licensed funds to maintain Impact Investment Fund designation.							
9. RIN 3245- AG67	Small Business Investment Companies (SBIC); Passive Business Expansion & Technical Clarifications	The SBA proposes to revise the regulations for the Small Business Investment Company (SBIC) program to further expand the use of Passive Businesses and provide needed protections for SBA with regard to such investments. SBICs are generally prohibited from investing in passive businesses under the Small Business Investment Act of 1958 as amended as well as by regulations. Current program regulations provided for two exceptions that allow an SBIC to structure an	Ongoing	3rd Quarter FY 2016 for Final Rule	No	No	N/A	The Proposed Rule was published on Oct. 5, 2015 (80 FR 60077). The public comment period closed on Dec. 4, 2015.	Review of costs and benefits of action in progress.

		investment utilizing a passive small business as a pass-through. Specifically, this proposed rule would: --clarify the regulations related to passive businesses; --eliminate SBA prior approval for blocker corporations; --expand the permitted use of blocker corporations; and --identify new reporting and other requirements for passive investments to help protect SBA's financial interests.							
10. RIN 3245- AG68	Small Business Investment Companies (SBIC); Early Stage Initiative	The Early Stage (ES) SBIC Initiative began in 2012 as part of Start-up America. The intent was to license and provide SBA guaranteed leverage to ES SBICs that would focus on making investments in early stage small businesses. The proposed rule would implement changes based on responses	Ongoing	3rd Quarter of FY 2016 for Proposed Rule	No	No	N/A	The Advance Notice of Proposed Rulemaking was published in the Federal Register on March 18, 2015 (80 F.R. 14034). The public comment period closed on May 18, 2015.	Review of costs and benefits of action in progress.

		from the ANPRM.							
11. RIN 3245- AG49	Small Business Size Standards: Employee Based Size Standards in Wholesale Trade and Retail Trade	SBA is authorized to develop the size standards that are the basis for establishing eligibility for federal financial assistance and contracting opportunities. This rule is part of a comprehensive effort to review all of the current size standards to determine which standards should be retained or revised, based on industry factors, Federal procurement practices, and current economic conditions.	Completed	The Final Rule was published in the Federal Register on January 25, 2016 (81 FR 3941)	No	No	N/A	The proposed rule was published in the Federal Register on May 19, 2014 (79 FR 28631). The public comment period closed on July 18, 2014.	SBA estimates that in 47 industries for which it proposes to increase employee based size standards in Sectors 42 and 44-45, nearly 4,000 firms (an increase of 1.1 percent), not small under the existing size standards, will become small under the proposed size standards, if adopted, and therefore will become eligible for SBA's financial assistance programs. SBA estimates up to about 50 loans totaling about \$20 million could be made under its 7(a) and CDC/504 Programs to these newly defined small businesses under the proposed size standards. Since the rule proposes to retain the 500-employee non-manufacturer size standard for Federal procurement, there are no impacts on

									procurement.
12. RIN 3245- AG50	Small Business Size Standards for Manufacturing	See #11 above	Completed	The Final Rule was published in the Federal Register on January 26, 2016 (81 FR 4469)	No	No	N/A	The proposed rule was published on September 10, 2014 (79 FR 54146). The public comment period ended November 10, 2014.	SBA estimates that in 209 industries for which it has proposed to increase size standards about 1,250 firms (an increase of 0.4 percent), not small under the existing size standards, will become small under the proposed size standards and therefore become eligible for SBA's contracting and financial assistance programs. This will increase the small business share of total receipts in those industries from 26 percent to 29 percent. SBA estimates that firms gaining small business status under the proposed size standards could receive Federal contracts totaling \$170 million to \$175 million annually under SBA's contracting programs. Under

									SBA's 7(a) and 504 Loan Programs, SBA estimates about 25 SBA loans totaling about \$12 million could be made to these newly defined small businesses under the proposed size standards.
13. RIN 3245- AG51	Small Business Size Standards: Industries with Employee Based Size Standards Not Part of Manufacturing, Wholesale Trade, or Retail Trade	See #11 above.	Completed	The Final Rule was published in the Federal Register on January 26, 2016 (81 FR 4436)	No	No	N/A	The proposed rule was published in the Federal Register on September 10, 2014 (79 FR 53646). The public comment period closed November 10, 2014.	SBA estimates that in 30 industries and three sub-industries for which it has proposed to increase standards more than 380 firms (an increase of 0.6 percent), not small under the existing size standards, will become small under the proposed size standards, if adopted, and therefore become eligible for SBA's contracting and financial assistance programs. This will increase the small business share of total receipts in those industries from 18.3 percent to 21.3 percent. SBA estimates that firms gaining small business status

									under the proposed size standards could receive Federal contracts totaling \$165 million to \$175 million annually under SBA's contracting programs. Under SBA's 7(a) and 504 Loan Programs, SBA estimates up to about 5 7(a) and 504 loans totaling about \$1 million could be made to these newly defined small businesses under the proposed size standards.
14. RIN 3245- AG38	Small Business HUBZone Program; Government Contracting Programs; Office of Hearings and Appeals	SBA has reviewed its processes and procedures for implementing the HUBZone program and determined that several of the regulations governing the program should be amended. As a result, the proposed rule would constitute a comprehensive revision of 13 CFR part 126 to clarify current HUBZone Program	Ongoing	4th Quarter of FY 2016 for Proposed Rule	No	No	N/A	Public outreach and comment	The proposed regulations seek to provide clarity to small businesses and contracting personnel, which will benefit the small business and procurement communities. The regulations also seek to reduce the burden on small businesses applying for certification in the HUBZone program. The implementation of recent statutory

		<p>regulations, and implement various new procedures. The proposed amendments would make it easier for participants to comply with the program requirements and to maximize the benefits afforded them by participation. At the same time, SBA will maintain a framework that helps identify and reduce waste, fraud, and abuse in the program.</p> <p>In addition, the proposed rule would implement statutory changes to the HUBZone program contained in section 866 of the NDAA for FY 2016. These changes include: authorizing companies owned by Native Hawaiian Organizations to apply for HUBZone certification; expanding the definition of base</p>							<p>changes will also benefit these communities by expanding the pool of eligible HUBZone small business concerns and providing increased opportunities for small businesses to participate in Federal contracting.</p> <p>Certain changes may result in increased administrative costs—such as the proposal to implement processes by which small businesses can request reconsideration of SBA’s decision to deny certification or appeal such decision to SBA’s Office of Hearings and Appeals. However, these changes would make the HUBZone program more consistent with SBA’s other contracting programs, and the bulk of these costs would be borne by the agency rather</p>
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		closure area HUBZones; and opening up the HUBZone program to businesses located in qualified disaster areas.							than the small business.
15. RIN 3245- AG60	Small Business Size Standards: Inflation Adjustment to Monetary Based Size Standards	SBA is required by its Small Business Size Regulations at 13 CFR 121.102(c) to review the effects of inflation on its monetary standards at least once every five years. SBA has complied with these requirements by issuing an interim final rule with request for comments to adjust its monetary small business size standards (i.e., receipts, net income, net worth, and financial assets), for the effects of inflation that have occurred since the last inflation adjustment, which was effective August 18, 2008.	Completed	The Final rule was published in the Federal Register on January 25, 2016 (81 FR 3949)	No	No	N/A	The interim final rule with request for comments was published in the Federal Register on June 12, 2014 (79 FR 33647), with an effective date of July 14, 2014. The comment period closed on August 11, 2014.	The most significant benefit of this interim final rule for small businesses is that it will enable businesses that have exceeded size standards simply due to inflation to regain eligibility for Federal small business assistance programs. SBA estimates that this rule will enable approximately 8,500 firms in industries and sub-industries with receipts based size standards and about 170 firms in industries with assets based size standards, currently above SBA's size standards, to gain small business status and become eligible for SBA financial assistance and small business procurement

16. RIN 3245 AE05	Small Business Development Center Program Revisions	Updates the SBDC program regulations to include: --procedures for approving applications for new Host SBDCs; --procedures and requirements regarding findings and disputes resulting from financial exams, programmatic reviews, accreditation reviews, and other SBA oversight activities; --requirements for new or renewal applications for SBDC grants; and --provisions regarding the collection and use of the individual SBDC client data.	Ongoing	3rd Quarter of FY 2016 for Proposed Rule	No	No	N/A	The Advance Notice of Proposed Rulemaking was published in the Federal Register on April 2, 2015 (80 F.R. 17708). The public comment period closed on June 1, 2015. Comments are currently being evaluated.	programs. Review of costs and benefits of action in progress.
17. RIN 3245- AG63	Amendments to Standards of Conduct and Employee Restrictions and Responsibilities	This rule would amend SBA regulations to clarify and streamline: -- SBA employees' duties and responsibilities; --restrictions on the granting of SBA assistance to	Ongoing	2nd Quarter of FY 2016 for Proposed Rule	No	No	N/A	Rule is internal; will engage SBA employees through internal outreach and education.	Review of costs and benefits of action in progress.

		persons with a current or past relationship with SBA or the Federal government; and --requests for SBA assistance by, among others, members of Congress, employees of the Federal legislative and judicial branches, and members of SBA advisory committees.							
18. RIN 3245- AG78	Disaster Assistance Loan Program; Disaster Loan Mitigation, Contractor Malfeasance and Secured Threshold	Three rule changes: 1) increase the unsecured physical disaster loan limit from \$14,000 to \$25,000 for all types of disaster declarations; 2) allow for construction of a safe room or similar storm shelter as a mitigating measure; and 3) allow for supplemental assistance for contractor malfeasance up to an additional amount of \$200,000.	Ongoing	2nd quarter of FY 2016 for Proposed Rule	No	No	N/A	Public outreach and comment.	Expected changes in benefits for disaster survivors, i.e. more funds at initial disbursement, higher unsecured loan limit, available funds for safe room construction, and additional assistance for contractor malfeasance.
19.	Disaster Loan Programs:	A new rule to apply	Ongoing	3rd Quarter FY 2016	No	No	N/A	Public outreach and	Potential for

3245-AG77	Disaster Loan Programs; Federal Flood Risk Management Standard	the FFRMS and EO 13690/11988 to physical disaster loans over \$2 million. The FFRMS includes a higher vertical and wider horizontal floodplain which may require new construction and reconstruction of substantially damaged structures to use a higher base flood elevation (BFE) of at least 2 feet above the BFE required by FEMA and the National Flood Insurance Program.		for Proposed Rule				comment.	increased resiliency for businesses that rebuild or elevate structures at least 2 feet above Base Flood Elevation.
20. RIN 3245-AG79	Debt Refinancing in 504 Loan Program	An interim final rule to implement the debt refinancing authority in the Consolidated Appropriations Act, 2016.	Ongoing	2nd Quarter of FY 2016	No	No	N/A	Prior public comments were received during the 504 Debt Refi temporary program authorized by the Jobs Act. Also publishing an Interim Final rule allows further opportunity for public comment without delaying the delivery of critical program benefits to small businesses. SBA proposes to reinstate the	Increase number of small businesses receiving 504 loan program assistance, business stabilization, job creation and retention.

								temporary program on a permanent basis with modifications as required by statute.	
21. 3245-AG76	Economic Development Investments for Certified Development Companies	Advance Notice of Proposed Rulemaking on economic development definition and metric for evaluating economic development investment	Ongoing		No	No	N/A	The Advance Notice of Public Rulemaking was published in the Federal Register on January 15, 2016 (81 FR 2129). The public comment period will close on March 15, 2016.	Improved guidance for CDC authorities for economic development activities and metrics for economic development investment requirements.
22	Franchise Comments	SBA is reviewing comments received based on a comment period ending April 7, 2015. SBA will determine if updates are needed to existing regulations and SOPs.	Ongoing	2nd Quarter of FY 2016	Streamlined requirements	No	N/A	A Notice requesting comments was published on December 8, 2014 (79 FR 72748). A Notice extending the comment period was published on January 20, 2015 (80 FR 2769). The public comment period closed on April 7, 2015.	Review of costs and benefits to be determined.
23	Recovery Opportunity Loans	The RISE After Disaster Act requires SBA to implement the Recovery Opportunity Loan program, under which SBA may guarantee an Express loan of up to \$150,000 to a small business located in a	Ongoing	4 th Quarter FY 2016	No	No	N/A	Mandated by Statute. Staff will review whether a proposed or interim final rule is appropriate to capture comments. Considering interim as opposed to proposed to meet deadline.	Change in benefit is anticipated to include increased access to capital for businesses in declared disaster areas. Costs to be determined.

		disaster area.							
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