



## **SMALL BUSINESS ADMINISTRATION**

### **Small Business Size Standards: Notification of Two Virtual Public Forums on Size Standards**

**AGENCY:** Small Business Administration.

**ACTION:** Notification of virtual public forums on size standards.

**SUMMARY:** The U.S. Small Business Administration (SBA) is holding a series of two virtual public forums on size standards to update the public on the status of the ongoing second 5-year review of size standards as mandated by the Small Business Jobs Act of 2010 and to consider public testimony on proposed changes contained in the proposed rule titled *Small Business Size Standards: Manufacturing and Industries With Employee-Based Size Standards in Other Sectors Except Wholesale Trade and Retail Trade*.

Testimony presented at these forums will become part of the administrative record for SBA's consideration when developing the final rule.

**DATES:** The virtual forum dates are as follows:

- Tuesday, June 14, 2022, from 1:00 p.m. to 3:00 p.m. EDT
- Thursday, June 16, 2022, from 1:00 p.m. to 3:00 p.m. EDT

**ADDRESSES:** The forums will be held via the Microsoft Teams platform. Registration is required to attend these virtual events. Visit SBA's size standards webpage at <http://www.sba.gov/size> to register.

**FOR FURTHER INFORMATION CONTACT:** Samuel Castilla, Economist, Office of Size Standards, (202) 619-0389 or [sizestandards@sba.gov](mailto:sizestandards@sba.gov). The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Communications Commission's TTY-Based Telecommunications Relay Service teletype service at 711.

**SUPPLEMENTARY INFORMATION:**

## **I. Background**

SBA is seeking public comments on a proposed rule (*Small Business Size Standards: Manufacturing and Industries With Employee-Based Size Standards in Other Sectors Except Wholesale Trade and Retail Trade* (87 FR 24752, April 26, 2022)) that would revise the employee-based small business size standards for businesses in nine North American Industrial Classification System (NAICS) sectors. The comment period ends on June 27, 2022.

The proposed changes in nine industrial sectors, including manufacturing, mining and transportation, will enable some mid-sized businesses to regain small business status and allow some advanced small businesses to retain small business status for a longer period, thereby allowing them to benefit from SBA's procurement and loan programs. These proposed revisions come on the heels of an SBA announcement (<https://www.sba.gov/article/2022/apr/04/sba-revises-small-business-size-standards-16-industrial-sectors-increase-eligibility-its-federal>) on April 4, 2022 in which the Agency discussed the issuance of four final rules to modify revenue-based small business size standards in 16 NAICS sectors to help increase small business eligibility for SBA's Federal contracting and loan programs.

In the April 26, 2022, proposed rule, SBA proposes to increase 150 employee-based size standards in nine NAICS sectors. SBA also proposes to retain the current 500-employee size standard for Federal procurement of supplies set aside for small businesses under the nonmanufacturer rule, which requires that small businesses qualifying as nonmanufacturers must have an average of 500 or fewer employees over the past 12 months, be primarily engaged in the wholesale or retail trade activities, take ownership or possession of the item with its personnel, equipment or facilities, consistent with industry practice, and supply the product of a U.S. small manufacturer.

The changes contained in the proposed rule are part of SBA’s second five-year review of size standards, as required under the Small Business Jobs Act of 2010 (Sec. 1344, Pub. L. 111-240, 124 Stat. 2545 (September 27, 2010)). The revised size standards reflect SBA’s considerations of the relevant industry and programmatic data and impacts of the ongoing COVID-19 pandemic on small businesses and the overall economy and Government response. In response to the pandemic, SBA is retaining current size standards where data otherwise suggests that size standards should be lowered.

As part of the review of size standards, SBA considers the structural characteristics of individual industries, including average firm size, the degree of competition, and Federal Government contracting trends. This ensures that small business size standards reflect current economic conditions in those industries. SBA's proposed size standards revisions rely on the “Size Standards Methodology” issued on April 11, 2019, and available at <http://www.sba.gov/size>.

## **II. Virtual Public Forums on Size Standards**

Under this notice, SBA is advising the public that it is hosting a series of two virtual public forums on size standards to update the public on the status of the ongoing second five-year comprehensive review of size standards and consider public testimony on proposed changes contained in the April 2022 proposed rule. These forums also conform to the requirements of section 1344 of the Small Business Jobs Act of 2010 which requires SBA to hold not less than two public forums during its quinquennial review of size standards.

SBA considers public forums on size standards as a valuable component of its deliberations and believes that these forums will allow for constructive dialogue with small businesses and their representatives, industry trade associations, participants in SBA’s contracting and financial assistance programs, and other stakeholders.

The format of these forums will consist of a panel of SBA representatives who will preside over the session. The oral and written testimony as well as any comments SBA receives will become part of the administrative record for SBA's consideration. Written testimony may be submitted in lieu of oral testimony on or before June 27, 2022, at [www.regulations.gov](http://www.regulations.gov), using the following RIN number: RIN 3245-AH09; by email to [Sizestandards@sba.gov](mailto:Sizestandards@sba.gov) with subject line "Comments to RIN 3245-AH09"; or by mail to Khem R. Sharma, Chief, Office of Size Standards, 409 3rd Street SW, Mail Code 6530, Washington, D.C., 20416. SBA will analyze the testimony, both oral and written, along with any written comments received and respond to all comments in the final rule. However, during the public forum, SBA officials will not provide comment on the testimony of speakers. SBA requests that commenters focus on SBA's April 26, 2022, proposed rulemaking and the impacted industries described therein. SBA requests that commenters do not raise issues pertaining to industries not covered under the proposed rule, or issues outside the scope of the rule. Presenters are encouraged to provide a written copy of their testimony. SBA will accept written material that the presenter wishes to provide that further supplements his or her testimony. Electronic or digitized copies are encouraged.

The two virtual public forums on size standards will be held on Tuesday, June 14, 2022 and Thursday, June 16, 2022 beginning at 1:00 p.m. and ending at 3:00 p.m. (EDT); SBA will adjourn early if all testimony has been delivered before the end time.

### **III. Registration**

Participants must pre-register to attend either of the two virtual public forums on size standards by visiting SBA's size standards webpage at <http://www.sba.gov/size> and registering at the link provided. On the registration form, participants may indicate whether they would like to testify at the forum. After registering, participants will receive an email with an access to link and call-in information which can be used to access the

forum on the scheduled date and time. Additional information about the forum is provided on SBA's announcements about updating size standards webpage, available at <https://www.sba.gov/article?sortBy=Authored%20on%20Date&search=&articleCategory=All&program=Contracting&page=1>, and in the invitation that participants receive upon registration. SBA will attempt to accommodate all interested parties that wish to present testimony. Based on the number of registrants it may be necessary to impose time limits to ensure that everyone who wishes to testify can do so.

#### **IV. Information on Service for Individuals With Disabilities**

For information on services for individuals with disabilities or to request special assistance contact Samuel Castilla at the telephone number or email address indicated under the **FOR FURTHER INFORMATION CONTACT** section of this notice.

**Sam Le,**

*Director,*

*Office of Policy, Planning and Liaison.*

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