

SMALL BUSINESS ADMINISTRATION**Data Collection Available for Public Comments and Recommendations**

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Small Business Administration's intentions to request approval on a new, and/or currently approved information collection.

DATES: Comments should be submitted on or before April 30, 1999.

FOR FURTHER INFORMATION CONTACT: Curtis B. Rich, Management Analyst, Small Business Administration, 409 3rd Street, SW, Suite 5000, Washington, DC 20416. Phone Number: 202-205-6629.

SUPPLEMENTARY INFORMATION:

Title: "ProNet".

Form No: N/A.

Description of Respondents: Small Businesses.

Annual Responses: 200,000.

Annual Burden: 3,333.

Comments: Send all comments regarding this information collection to, Oliver Snyder, Program Analyst, Office of Government Contracting, Small Business Administration, 409 3rd Street SW, Suite 8800, Washington, DC 20416. Phone No: 202-205-7650.

Send comments regarding whether this information collection is necessary for the proper performance of the function of the agency, accuracy of burden estimate, in addition to ways to minimize this estimate, and ways to enhance the quality.

Jacqueline K. White,

Chief, Administrative Information Branch.
[FR Doc. 99-4988 Filed 2-26-99; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION**MEETING: New Markets Lending Company; Pilot Program**

AGENCY: Small Business Administration.

ACTION: Public Meeting on SBA's Proposed New Markets Lending Company. (NMLC) pilot loan program for SBA loans made under Section 7(a) of the Small Business Act.

SUMMARY: The SBA recognizes that many segments of the small business community continue to have difficulty accessing capital in the commercial loan markets. To assist these New Markets small businesses, the Agency plans to develop and test several innovative new programs and initiatives designed to more efficiently and effectively deliver

SBA financing to these markets. The proposed NMLC program is one of these initiatives. SBA envisions the program as a limited term, limited participation SBA pilot program under which the Agency will select approximately ten unique, non-depository lending institutions to make SBA guaranteed loans targeted to New Markets small businesses. This pilot will be part of the Agency's 7(a) loan program, which provided guaranties on loans to approximately 42,000 small businesses for about \$9 billion in FY 1998.

SBA expects to define New Markets under the program as current and prospective small businesses owned by minorities, women, veterans, and persons with disabilities, who are underrepresented in the population of business owners compared to their representation in the overall population, as well as businesses located or locating in Low and Moderate Income urban and rural areas.

SBA is continuing to develop criteria for participation in the program, but participants are expected to be selected competitively using criteria that may include, among others, the following:

Management Capability

The applicant entity or its management team must demonstrate appropriate experience in managing a loan underwriting, loan making, loan collection, and loan liquidation operation;

Adequate Capitalization

A minimum capitalization, including leverage limitations to reflect both balance sheet and off balance sheet assets, will be required. (A variety of financing structures will be considered, but a minimum equity injection of \$3-\$5 million is being considered);

Commitment to Borrower's Development

Applicant must demonstrate a continuing commitment to the development of the borrower's management capabilities; and,

Public Purpose

Participants must aggressively and continuously target a range of SBA defined New Markets communities.

The Agency's monitoring and oversight of NMLCs will include annual safety and soundness examinations, periodic reviews of lender effectiveness in reaching targeted markets, and compliance reviews required of other SBA lenders. SBA will develop program guidelines and procedures shortly and expects to implement the program by October 1, 1999.

HEARING: SBA will hold a public hearing to obtain comments and suggestions from the public to assist in developing the NMLC concept. Interested parties will be given a reasonable time for an oral presentation and may submit written statements of their oral presentation in advance. If you wish to make a presentation, please contact Ms. Lula M. Gardner at (202) 205-6485 at least five days before the hearing. If a large number of participants desire to make statements, a time limitation on each presentation will be imposed.

Members of the hearing panel may ask questions of the speaker, but speakers will not be allowed to question each other. Please submit written questions in advance to the Chair. If the Chair determines them to be relevant, the Chair will direct them to the appropriate panel member.

DATES: March 11, 1999, 1:30 p.m. to 4:30 p.m.

LOCATION: SBA's Washington District Office Conference Room, 1110 Vermont Avenue, NW, Washington, DC 20005.

POSSIBLE ISSUES: The SBA requests that speakers address the following issues:

- Can this concept help increase SBA lending to New Markets?
- How should SBA select NMLC participants?
- Should the SBA require that a minimum percentage of lending by each NMLC be directed to New Markets? If so, what should that minimum percentage be?
- How many firms should be allowed to participate?
- What, if any, time limit should be established for the program?
- What level of capitalization should SBA require of NMLC pilot participants?
- What loan volume should SBA expect from NMLCs?
- What oversight should SBA apply to this program?
- Should SBA give these firms PLP and/or SBAExpress authority?
- What incentives should SBA consider to encourage these firms to lend in non-traditional markets?
- What support should SBA provide lenders to address these markets?
- What will be the likely impact of this program on existing SBA lenders?
- In lieu of the proposed NMLC program, should SBA open the SBLC program to additional participants?

FOR FURTHER INFORMATION CONTACT: Charles Thomas, Chief, Pilot