

# Rules and Regulations

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## DEPARTMENT OF AGRICULTURE

### Farm Service Agency

#### 7 CFR Part 770

RIN 0560-AF43

#### Loans to Indian Tribes and Tribal Corporations; Correction

**AGENCY:** Farm Service Agency, USDA.

**ACTION:** Correction to final rule.

**SUMMARY:** This document contains corrections to the final rule which was published Tuesday, January 9, 2001 (66 FR 1563). The final rule revised and consolidated the Indian Tribal Land Acquisition Program (ITLAP) regulations.

**DATE:** Effective on September 14, 2001.

#### FOR FURTHER INFORMATION CONTACT:

Craig Nehls, Branch Chief, Farm Loan Programs, Loan Servicing and Property Management Division, Farm Service Agency, USDA, 1400 Independence Avenue, SW., STOP 0523, Washington, DC 20250-0523, telephone (202) 720-1984, facsimile (202) 690-1196, electronic mail:

*Craig\_Nehls@wdc.usda.gov.*

#### Correction

Accordingly, in the final rule published January 9, 2001, (66 FR1563) make the following corrections in § 770.10:

#### § 770.10 [Corrected]

On page 1569, in the second column, in paragraph (e)(3)(iv), in the second line, "(d)(4)" should read "(e)(4);" and in the fourth line, "(d)(3)" should read "(e)(3)" and paragraph (e) should be redesignated as paragraph (f).

Signed at Washington, DC, on September 6, 2001.

**James R. Little,**

*Administrator, Farm Service Agency.*

[FR Doc. 01-23061 Filed 9-13-01; 8:45 am]

**BILLING CODE 3410-05-P**

## SMALL BUSINESS ADMINISTRATION

### 13 CFR Part 120

RIN 3245-AE73

#### Microloan Program

**AGENCY:** Small Business Administration (SBA).

**ACTION:** Direct final rule.

**SUMMARY:** The Consolidated Appropriations Act, 2001 ("2000 legislation") was enacted on December 21, 2000. It made several changes to SBA's microloan program, increasing in several places the dollar amounts used to define aspects of the program. Because there is no need for SBA to interpret the statutory changes, SBA is implementing them with this direct final rule.

**DATES:** Unless adverse comment is received prior to October 15, 2001, the rule will become effective as a final rule on November 14, 2001. If adverse comment is received, SBA will publish a timely withdrawal of the rule in the **Federal Register**.

**ADDRESSES:** Send written comments to Jody Raskind, Chief, Office of Microenterprise Development, U.S. Small Business Administration, 409 3rd Street, SW., Washington, DC 20416.

**FOR FURTHER INFORMATION CONTACT:** Jody Raskind, (202) 205-6497.

**SUPPLEMENTARY INFORMATION:** Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) ("Act") sets forth the statutory rules with respect to SBA's microloan program which authorizes SBA to assist small businesses that need small amounts of financial assistance. Under the program, SBA makes direct and guaranteed loans available to intermediaries who use the proceeds to make microloans to eligible borrowers. SBA is also authorized to make grants to intermediaries and other qualified nonprofit entities to be used for marketing, management, and technical assistance.

Section 210 of Pub. L. 106-554 ("2000 legislation") amended section 7(m) of

the Act, and this direct final rule implements the statutory changes by conforming SBA's regulations to the statutory changes. Thus, SBA is amending § 120.701 of its regulations to define a Microloan as a loan of not more than \$35,000 (formerly \$25,000) by an intermediary to a small business. The definition of Specialized Intermediary is changed to mean an intermediary that maintains a portfolio of microloans averaging \$10,000 (up from \$7,500) or less. SBA is amending § 120.702 of its regulations to reflect that an organization, to become an intermediary, must have made and serviced short-term fixed rate loans of not more than \$35,000 (up from \$25,000) to newly established or growing small businesses for at least one year.

SBA is amending § 120.704 of its regulations so that in selecting intermediaries for the microloan program, SBA will give priority to applicants that maintain a portfolio of loans averaging \$10,000 (up from \$7,500) or less. SBA is amending § 120.705 so that a specialized intermediary would have to maintain a portfolio of microloans averaging \$10,000 (up from \$7,500).

SBA is amending § 120.707(b) of its regulations to reflect that an intermediary may not make a microloan of more than \$20,000 (up from \$15,000) unless the borrower demonstrates that it is unable to obtain credit elsewhere. In addition, § 120.707(b) is amended to show that an intermediary may not make a loan of more than \$35,000 (up from \$25,000), and no borrower may owe an intermediary more than \$35,000 (up from \$25,000) at any one time. SBA is amending § 120.707(c) to reflect the statutory change which increased the dollar amount to \$10,000 (up from \$7,500).

SBA is amending § 120.714(a) of its regulations so that any eligible nonprofit entity that is not an intermediary may apply to SBA for a grant for the purpose of assisting eligible businesses to obtain private sector financing in amounts of \$35,000 (up from \$25,000) or less. SBA is amending § 120.714(b) to reflect the statutory changes which increased the (1) number of grants it can make to non-Intermediaries each year to 55 (up from 25), and (2) amount of the grant to \$200,000 (up from \$125,000).