

staff uses in evaluating specific problems or postulated accidents, and data that the staff needs in its review of applications for permits and licenses.

RG 1.221 was issued with a temporary identification as Draft Regulatory Guide, DG-1247. This regulatory guide provides licensees and applicants with new guidance that the staff of the NRC considers acceptable for use in selecting the design-basis hurricane and design-basis hurricane-generated missiles that a nuclear power plant should be designed to withstand to prevent undue risk to the health and safety of the public. This guidance applies to the contiguous United States but does not address the determination of the design-basis hurricane and hurricane missiles for sites located along the Pacific coast or in Alaska, Hawaii, or Puerto Rico; the NRC will evaluate such determinations on a case-by-case basis. This guide also does not identify the specific structures, systems, and components that should be designed to withstand the effects of the design-basis hurricane or should be protected from hurricane-generated missiles and remain functional. Nor does this guide address other externally generated hazards, such as aviation crashes, nearby accidental explosions resulting in blast overpressure levels and explosion-borne debris and missiles, and turbine missiles.

II. Further Information

In August 2010, DG-1247 was published with a public comment period of 60 days from the issuance of the guide. The public comment period closed on November 5, 2010. Electronic copies of Regulatory Guide 1.221 are available through the NRC's public Web site under "Regulatory Guides" at <http://www.nrc.gov/reading-rm/doc-collections/> and through the NRC's Agencywide Documents Access and Management System (ADAMS) at <http://www.nrc.gov/reading-rm/adams.html>, under Accession No. ML110940300. The regulatory analysis may be found in ADAMS under Accession No. ML110940303. Staff's responses to public comments on DG-1247 are available under ML110940334.

Dated at Rockville, Maryland, this 3rd day of October 2011.

For The Nuclear Regulatory Commission.

Thomas H. Boyce,

Chief, Regulatory Guide Development Branch,
Division of Engineering, Office of Nuclear
Regulatory Research.

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SMALL BUSINESS ADMINISTRATION

13 CFR Parts 108, 120, 123, and 125

RIN 3245-AG15

Small Business Jobs Act: Implementation of Conforming and Technical Amendments

AGENCY: U.S. Small Business Administration.

ACTION: Direct final rule.

SUMMARY: This direct final rule contains various amendments conforming SBA regulations to changes made by the Small Business Jobs Act of 2010 to several SBA programs, including business lending, disaster lending, and contract bundling. This rule also makes additional conforming changes to ensure that the regulations governing certain fees payable in the business loan programs are consistent with the related statutory authority in the Small Business Act.

DATES: This rule is effective on November 28, 2011 without further action, unless significant adverse comment is received by November 14, 2011. If significant adverse comment is received, SBA will publish a timely withdrawal of the affected sections of the rule in the **Federal Register**.

ADDRESSES: You may submit comments, identified by RIN 3245-AG15, by one of the following methods: (1) Federal eRulemaking Portal: <http://www.regulations.gov>; following the instructions for submitting comments; or (2) Mail/Hand Delivery/Courier: John Russell, Office of General Counsel, 409 Third Street, SW., Mail Code 2221, Washington, DC 20416.

SBA will post all comments to this rule on <http://www.regulations.gov>. If you wish to submit confidential business information (CBI) as defined in the User Notice at <http://www.regulations.gov>, you must submit such information to U.S. Small Business Administration, John Russell, Office of General Counsel, 409 Third Street, SW., Mail Code 2221, Washington, DC 20416, or send an e-mail to john.russell@sba.gov. You should highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review your information and determine whether it will make the information public or not.

FOR FURTHER INFORMATION CONTACT: John C. Russell, Jr., Office of General Counsel, (202) 205-6642, e-mail: john.russell@sba.gov.

SUPPLEMENTARY INFORMATION: This direct final rule contains several conforming amendments to SBA regulations resulting from the Small Business Jobs Act of 2010 (SBJA), Public Law 111-240, which was enacted on September 27, 2010, SBA is making these regulatory amendments and other technical conforming changes to mirror current statutory provisions and avoid public confusion or possible misinterpretations of SBA's programs. Since these are conforming amendments, with no extraneous interpretation or other expanded materials, SBA expects no significant adverse comments. Based on that fact, SBA has decided to proceed with a direct final rule giving the public 30 days to comment. If SBA receives a significant adverse comment during the comment period, SBA will withdraw the sections of the rule receiving the significant adverse comment, and publish them in a proposed rule.

To minimize confusion to the reader, the Supplementary Information section is organized by sequential order of SBJA sections, followed by the additional changes that are not directly related to the SBJA amendments but are necessary for accuracy and consistency with the Small Business Act.

A. Small Business Jobs Act Amendments

Section 1111. Section 7(a) Business Loans

Section 1111 of the SBJA temporarily increased the maximum guarantee percentages for 7(a) business loans until January 1, 2011. These temporary changes do not need to be reflected in the regulations. Section 1111 also permanently increased the maximum guaranteed portion and maximum loan amount for 7(a) business loans. As a result of this change, section 7(a)(3) of the Small Business Act now reads: "No loan shall be made under this subsection—(A) if the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by this Act would exceed \$3,750,000 (or if the gross loan amount would exceed \$5,000,000), except as provided for international trade loans, which have a different limit." 15 U.S.C. § 636(a)(3)(A). SBA is conforming three SBA regulations to this statutory change as follows: (1) § 120.151, What is the statutory limit for total loans to a Borrower?, to reflect that the maximum guaranteed amount is now \$3,750,000 and the maximum loan amount is \$5,000,000; (2) § 120.210, What percentage of a loan may SBA

guarantee?, to remove an outdated effective date of the maximum guaranty percentages; and (3) § 120.390, Revolving Credit, to reflect that the maximum guaranty and loan amount are the same under CapLines as other 7(a) business loans and to include a cross reference to § 120.151.

Section 1112. Maximum Loan Amounts Under 504 Program

Section 1112 of the SBJA amended several maximum loan amounts for the Certified Development Company Program (also known as the 504 Program). Due to these amendments, the Small Business Investment Act provision now reads: “(A) In General. Loans made by the Administration under this section shall be limited to— (i) \$5,000,000 for each small business concern if the loan proceeds will not be directed toward a goal or project described in clause (ii), (iii), (iv) or (v); (ii) \$5,000,000 for each small business concern if the loan proceeds will be directed toward 1 or more of the public policy goals described under section 501(d)(3); (iii) \$5,500,000 for each project of a small manufacturer; (iv) \$5,500,000 for each project that reduces the borrower’s energy consumption by at least 10 percent; and (v) \$5,500,000 for each project that generates renewable energy or renewable fuels, such as biodiesel or ethanol production.” 15 U.S.C. 696(2)(A)(i–v). With respect to (iii) above, a small manufacturer, as defined in the Small Business Act, must have all of its production facilities located in the United States. 15 U.S.C. 696(2)(B). SBA is conforming § 120.931, 504 Loan Limits, to this statutory change, which substantially increases the loan limits for all 504 Program loans.

In implementing the loan limit for renewable energy or renewable fuels projects, SBA noted that 15 U.S.C. 696(2)(A)(v) was enacted at the same time as 15 U.S.C. 695(d)(3)(K), which describes one of the public policy objectives of the 504 Program as projects that achieve “plant, equipment and process upgrades of renewable energy sources such as the small-scale production of energy for individual buildings or communities consumption, commonly known as micropower, or renewable fuels producers including biodiesel and ethanol producers.” It is SBA’s view that the loan limit set by 15 U.S.C. 696(2)(A)(v) was intended by Congress to accord with the corresponding public policy goal set forth in 15 U.S.C. 695(d)(3)(K). Accordingly, the regulatory provision implementing the loan limit for renewable energy or renewable fuels

incorporates the parameters of the more fully articulated public policy goal.

Section 1113. Maximum Loan Amounts Under Microloan Program

Section 1113 of the SBJA amended the maximum loan limits for the Microloan Program by raising the amount of a loan that a Microloan Intermediary can make to a borrower from \$35,000 to \$50,000, as well as the amount of a loan that the Microloan Intermediary can receive from the SBA from \$3,500,000 to \$5,000,000. SBA is revising seven of its regulations to conform to these statutory changes: (1) § 120.2, Description of the Business Loan Programs; (2) § 120.10, Definitions; (3) § 120.701, Definitions; (4) § 120.702, Are there limitations on who can be an Intermediary or on where an Intermediary may operate?; (5) § 120.706, What are the terms and conditions of an SBA loan to an Intermediary?; (6) § 120.707, What conditions apply to loans by Intermediaries to Microloan borrowers?; and (7) § 120.714, How are grants made to non-lending technical assistance providers (NTAP)?.

In addition, SBA is making one technical change to the regulations governing eligibility for grants to Microloan Intermediaries. The second sentence of paragraph (b)(2) of § 120.712 states: “Intermediaries may not enter into third party contracts for the provision of technical assistance to program clients.” This language is inconsistent with paragraph (e) of that section, which states: “An Intermediary may use no more than 25 percent of the grant funds it receives from SBA for contracts with third parties for the latter to provide technical assistance to Microloan borrowers.” Paragraph (e), which was added to § 120.712 in 2001 to implement statutory changes, reflects current SBA policy to allow Intermediaries to use up to 25 percent of grant funds for contracts with third parties. Therefore, SBA is removing the inconsistent sentence in paragraph (b)(2).

Section 1115. New Markets Venture Capital Company Investment Limitations

Section 1115 of the SBJA provides that “except to the extent approved by the Administrator, a covered New Markets Venture Capital Company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of— (A) the regulatory capital of the covered New Markets Venture Capital Company; and (B) the total amount of leverage

projected in the participation agreement of the covered New Markets Venture Capital.” 15 U.S.C. 689. The SBJA defines the term “covered New Markets Venture Capital Company” as a company granted approval by the SBA Administrator on or after March 1, 2002, that has obtained financing from the Administrator. We are conforming the regulation to this statutory change by amending current SBA regulation, § 108.740, Portfolio Diversification (“overline” limitation). Based on the leverage ratio currently applicable in the New Markets Venture Capital (NMVC) program, the SBJA effectively increased the overline limit for existing NMVC companies from 20% to 25% of regulatory capital, which will allow these companies to invest a higher percentage of their capital in a single company or group of affiliated companies. SBA intends that an NMVC company’s calculation of an overline limitation will retain the same adjustments to regulatory capital that are present in the current NMVC program regulations.

Section 1117. Sale of 7(a) Loans in Secondary Market

Section 1117 of the SBJA amends SBA’s 7(a) loan program secondary market authority by providing: “If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.” 15 U.S.C. 634(g)(6). SBA is revising three regulations to conform to this statutory change: § 120.600(a), Definitions; § 120.601, SBA Secondary Market; and § 120.611, Pools backing Pool Certificates. The purpose of this statutory provision is to allow participants in the secondary market, specifically pool assemblers, to split the guaranteed portion of individual 7(a) loans into increments of \$500,000 and one increment of less than \$500,000. SBA is in the process of revising SBA Forms 1086 and 1088, as well as the form of Individual Certificate, to reflect this new provision.

Section 1119. SBA Secondary Market Guarantee Authority

Section 1119 of the SBJA extends the authorization for the SBA Secondary Market Guarantee Program for First Lien Position 504 Loan Pools from February 17, 2011 to the date “two years after the date of the first sale of a pool of first lien 504 loans guaranteed under this section to a third-party investor”. The new expiration date is, therefore, September 23, 2012. We are conforming one SBA regulation to this statutory change: § 120.1701, Program purpose.

Section 1132. Public Policy Goals

Section 1132 of the SBJA adds a new public policy goal for the Certified Development Company Program. The new public policy goal is “reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.” 15 U.S.C. 695(d)(3)(L). We are conforming one regulation to this statutory change: § 120.862, Other economic development objectives. This means that a project meeting this new public policy goal objective can qualify for a 504 loan in an amount up to \$5,000,000. It also means that the project can be financed by the 504 loan even if the subject project does not create or retain jobs pursuant to § 120.861 provided that the CDC’s overall portfolio, including the subject loan, meets or exceeds the CDC’s required Job Opportunity average.

Section 1206. International Trade Finance Programs

Section 1206 of the SBJA made changes to SBA’s International Trade, Export Working Capital, and Export Express Loan Programs. This direct final rule addresses the changes made by Section 1206 to these programs, except for the Export Express Loan Program, which will be the subject of a separate rulemaking incorporating the now permanent Export Express Loan Program in the regulations for the first time. SBA’s International Trade Loan Program was amended by changing the maximum loan amount, so that the provision now reads: “No loan shall be made under this subsection—(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed \$4,500,000 (or if the gross loan amount would exceed \$5,000,000), of which not more than \$4,000,000 may be used for working capital, supplies or financings under § 7(a)(14) for export purposes.” 15 U.S.C. 636(a)(3)(B). Section 1206 also

added a provision: “Participation in International Trade Loan—In an agreement to participate in a loan on a deferred basis under paragraph (16), the participation by the Administration may not exceed 90 percent.” 15 U.S.C. 636(a)(2)(E). The International Trade Loan Program also was amended to allow such loans to be used to assist concerns engaged in or adversely affected by international trade to improve their competitive position “by providing working capital” and to expand the use of loan proceeds for refinancing to “include any debt that qualifies for refinancing under any other provision of this subsection.” 15 U.S.C. 636(a)(16)(A)(ii–iii). The collateral required to be provided by borrowers of International Trade Loans was also changed. The law now allows for such loans to “be secured by a second lien on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.” 15 U.S.C. 636(a)(16)(B)(ii). SBA is amending four existing regulations for the International Trade Loan program and adding one new regulation to reflect these statutory changes: (1) § 120.346, Eligibility, to delete restrictive language regarding the use of IT loan proceeds that is no longer applicable; (2) § 120.347, Use of Proceeds, to reflect that IT loan proceeds may now be used for working capital and to refinance additional debt; (3) § 120.348, Amount of Loan and Guarantee, to reflect the new maximum loan amount and the new maximum guaranty amount for IT loans; and (4) new § 120.349, Collateral, to reflect the new collateral requirements for IT loans.

Finally, section 1206 of the SBJA amended The Export Working Capital (EWCP) Loan Program by increasing the maximum loan amount to \$5,000,000 (15 U.S.C. 636(a)(14)(B)(i)) and by providing that the guaranty amount for EWCP loans shall be 90 percent (15 U.S.C. 636(a)(2)(D)). SBA is conforming § 120.340, What is the Export Working Capital Program?, to reflect the new maximum loan amount and the new required guaranty amount for EWCP loans. Additionally, SBA is conforming § 120.130, Restrictions on uses of proceeds, to reflect that SBA has statutory authority to allow EWCP loan proceeds to be used for revolving lines of credit for export purposes. 15 U.S.C. 636(a)(14)(A).

Section 1312. Leadership and Oversight

Section 1312(a) of the SBJA provides that: “Rationale for Contract Bundling—Not later than 30 days after the date on

which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the Web site of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.” 15 U.S.C. 644(q)(2)(B). SBA is conforming one regulation to this statutory change: § 125.2, Prime Contracting Assistance. The purpose of this statutory provision is to help reduce the practice of contract bundling. Requiring agencies to post a list of all bundled acquisitions and the rationale for bundling the acquisition holds the agency accountable to the public for its actions.

Section 1501. Aquaculture Business Disaster Assistance

Section 1501 of the SBJA provides SBA new authority to make certain types of disaster loans to aquaculture enterprises. Prior to this statutory change, aquaculture enterprises were ineligible for all SBA disaster loans. Section 1501 provides that SBA may provide economic injury disaster loans to aquaculture enterprises that are small businesses. SBA is conforming one regulation to this statutory change: § 123.300, Is my business eligible to apply for an economic injury disaster loan?

B. Other Technical Amendments

In addition to the SBJA amendments, SBA believes that additional changes should be made to the business loan program regulations in § 120.220, Fees that Lender Pays SBA, to conform to the statutory provisions in section 7(a)(18)(A) and section 7(a)(23)(A) of the Small Business Act. 15 U.S.C. 636(a)(18)(A) and (23)(A). First, with respect to the guarantee fees authorized by section 7(a)(18)(A)(i) through (iii), SBA is amending the regulations at § 120.220(a)(1)(i) through (a)(1)(iii) to accurately reflect the limitations provided in the Small Business Act. The statutory subsections authorize the collection of guarantee fees in amounts not to exceed certain percentages of the guaranteed portion of the loan. The regulations, however, do not reflect the degree of flexibility provided in the statute; rather the regulations state that the fees are fixed at the percentages listed. Specifically, for loans that are \$150,000 or less, section 7(a)(18)(a)(i) will now require the lender to pay a guarantee fee “not to exceed 2 percent” of the guaranteed portion of the loan. Similarly, section 7(a)(18)(A)(ii) will now require lenders to pay a guarantee fee “not to exceed 3 percent” of the

guaranteed portion of a loan that is more than \$150,000, but not more than \$700,000. Finally, under section 7(a)(18)(A)(iii) the guarantee fee to be paid by the lender is “not to exceed 3.5 percent” of the guaranteed portion of a loan that is more than \$700,000.

SBA is also amending § 120.220(a)(1) to add the guarantee fee authorized by section 7(a)(18)(A)(1)(iv). This subsection provides that in addition to the fee payable under section 7(a)(18)(A)(iii), SBA must collect a “guarantee fee equal to 0.25 percent of any portion of the deferred participation share that is more than \$1,000,000.” This particular guarantee fee is currently being assessed on the applicable loans consistent with the statutory authority but was not previously codified in the regulations.

SBA is also amending § 120.220(f)(1) to accurately reflect the amount of the annual service fee that is authorized by section 7(a)(23)(A) of the Small Business Act. This statutory provision states in part that SBA “shall assess, collect and retain a fee not to exceed 0.55 percent per year of the outstanding participation balance of the deferred participation share of the loan * * *.” However, the regulations state that this annual service fee must be equal to 0.5 percent of the outstanding balance of the guaranteed portion of each loan. The amendment in this rule will bring the regulations into conformity with the statutory authority, and obviate possible misunderstanding and confusion regarding the amount that is due annually on the service fee.

For Fiscal Year 2012, the fees authorized by § 120.220(a)(1) and § 120.220(f) are set at the maximum authorized levels. SBA will issue notices to announce any changes in these fees in the future.

Compliance With Executive Orders 12866, 12988, and 13132, the Paperwork Reduction Act (44 U.S.C. Ch. 35) and the Regulatory Flexibility Act (5 U.S.C. 601–612)

Executive Order 12866

The Office of Management and Budget (OMB) has determined that this direct final rule does not constitute a significant regulatory action under Executive Order 12866. This direct final rule is also not a major rule under the Congressional Review Act.

Executive Order 12988

This action meets applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce

burden. The action does not have retroactive or preemptive effect.

Executive Order 13132

For the purposes of Executive Order 13132, this direct final rule will not have substantial, direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, SBA has determined that this direct final rule has no federalism implications warranting preparation of a federalism assessment.

Paperwork Reduction Act, 44 U.S.C., Ch. 35

SBA has determined that this direct final rule does not impose additional reporting or recordkeeping requirements under the Paperwork Reduction Act, 44 U.S.C., Chapter 35.

Regulatory Flexibility Act, 5 U.S.C. 601–612

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601, requires administrative agencies to consider the effect of their actions on small entities, including small businesses. According to the RFA, when an agency issues a rule, the agency must prepare an analysis to determine whether the impact of the rule will have a significant economic impact on a substantial number of small entities. However, the RFA allows an agency to certify a rule in lieu of preparing an analysis, if the rulemaking is not expected to have a significant impact on a substantial number of small entities. This rule only makes conforming amendments to SBA regulations to reflect recent legislation, and does not implement new agency policies. Some of these amendments will affect small entities; however SBA certifies that these amendments will not have a significant economic impact on a substantial number of such entities.

List of Subjects

13 CFR Part 108

Community development, Grant programs—business, Small businesses.

13 CFR Part 120

Community development, Exports, Loan programs—business, Small businesses.

13 CFR Part 123

Disaster assistance, Loan programs—business, Small businesses.

13 CFR Part 125

Government contracts, Government procurement, Small businesses, Technical assistance.

For the reasons stated in the preamble, the Small Business Administration amends 13 CFR parts 108, 120, 123, and 125 as follows:

PART 108—NEW MARKETS VENTURE CAPITAL (“NMVC”) PROGRAM

■ 1. The authority citation for 13 CFR part 108 continues to read as follows:

Authority: 15 U.S.C. 689–689q.

■ 2. Amend § 108.740 as follows:

■ a. Revise paragraph (a) introductory text;

■ b. Redesignate paragraph (a)(2) as (a)(3); and

■ c. Add new paragraph (a)(2) to read as follows:

§ 108.740 Portfolio diversification (“overline” limitation).

(a) Without SBA’s prior written approval, you may provide Financing or a Commitment to a Small Business only if the resulting amount of your aggregate outstanding Financings and Commitments to such Small Business and its Affiliates does not exceed 10 percent of the sum of:

* * * * *

(2) The total amount of leverage projected in your participation agreement with SBA; plus

* * * * *

PART 120—BUSINESS LOANS

■ 3. The authority citation for 13 CFR Part 120 continues to read as follows:

Authority: 15 U.S.C. 634(b)(6), (b)(7), (b)(14), (h), and note, 636(a), (h) and (m), 650, 687(f), 696(3), and 697(a) and (e); Public Law 111–5, 123 Stat. 115, Public Law 111–240, 124 Stat. 2504.

§ 120.2 [Amended]

■ 4. Amend § 120.2(b) by removing the number “25,000,” and adding in its place the number, “\$50,000.”

§ 120.10 [Amended]

■ 5. Amend § 120.10 by removing the number “\$25,000” from the definition of “Intermediary” and replacing it with the number “\$50,000.”

■ 6. Amend § 120.130 by revising paragraph (c) to read as follows:

§ 120.130 Restrictions on uses of proceeds.

* * * * *

(c) Floor plan financing or other revolving line of credit, except under § 120.340 or § 120.390;

* * * * *

§ 120.151 [Amended]

- 7. Amend § 120.151 as follows:
- (a) Remove the number “\$1,000,000” and add in its place the number “\$3,750,000”; and
- (b) Remove the number “\$2,000,000” and add in its place the number “\$5,000,000”.

§ 120.210 [Amended]

- 8. Amend § 120.210 by removing the words “Effective December 21, 2000, loans” from the third sentence and adding in its place “Loans”.
- 9. Amend § 120.220 as follows:
 - a. Revise the last sentence in paragraph (a)(1), introductory text, to read as set forth below;
 - b. Revise paragraphs (a)(1)(i), (a)(1)(ii), and (a)(1)(iii), and add new paragraph (a)(1)(iv), to read as set forth below; and
 - c. Revise the first sentence of paragraph (f)(1) to read as set forth below.

§ 120.220 Fees that Lender pays SBA.

- * * * * *
- (a) * * * For a loan with a maturity of more than twelve (12) months, the guarantee fee is payable as follows:
 - (i) Not more than 2 percent of the guaranteed portion of a loan if the total amount of the loan is not more than \$150,000;
 - (ii) Not more than 3 percent of the guaranteed portion of a loan if the total amount of the loan is more than \$150,000 but not more than \$700,000;
 - (iii) Except as provided in paragraph (a)(1)(iv) of this section, not more than 3.5 percent of the guaranteed portion of a loan if the total amount of the loan is more than \$700,000; and
 - (iv) An additional 0.25 percent of the guaranteed portion of a loan if the total amount of the loan is more than \$1,000,000.

- * * * * *
- (f) * * *
 - (1) *In general.* Except to the extent paragraph (f)(2) of this section applies, the lender shall pay SBA an annual service fee in an amount not to exceed 0.55 percent of the outstanding balance of the guaranteed portion of each loan.

- * * * * *
- 10. Amend § 120.340 by adding two new sentences at the end of the paragraph to read as follows:

§ 120.340 What is the Export Working Capital Program?

- * * * The maximum loan amount for any one EWCP loan is \$5,000,000. EWCP loans shall receive a guaranty of 90 percent, not to exceed \$4,500,000.
- 11. Amend § 120.346 by revising paragraph (a)(3) to read as follows:

§ 120.346 Eligibility.

- (a) * * *
 - (3) The loan will improve the applicant’s competitive position.
- * * * * *
- 12. Amend § 120.347 by adding a new sentence at the end to read as follows:

§ 120.347 Use of proceeds.

- * * * The Borrower may also use proceeds in the refinancing of existing indebtedness that is not structured with reasonable terms and conditions, including any debt that qualifies for refinancing under 7(a) Loan Program Requirements, and to provide working capital.
- 13. Revise § 120.348 to read as follows:

§ 120.348 Amount of guarantee.

The maximum loan amount for any one International Trade (IT) loan is \$5,000,000. IT loans may receive a maximum guaranty of 90 percent or \$4,500,000, except that the maximum guaranty amount for any working capital component of an IT loan is limited to \$4,000,000. To the extent that the Borrower has a separate EWCP loan or any other 7(a) loan for working capital, the guaranty amount for the other loan is counted against the \$4,000,000 guaranty limit for the IT loan.

- 14. Add new § 120.349 to read as follows:

§ 120.349 Collateral.

Each IT loan must be secured either by a first lien position or first mortgage on the property or equipment financed by the IT loan or on other assets of the Borrower, except that an IT loan may be secured by a second lien position on the property or equipment financed by the IT loan or on other assets of the Borrower, if the SBA determines the second lien position provides adequate assurance of the payment of the IT loan.

- 15. Amend § 120.390(a) by revising the third sentence to read as follows:

§ 120.390 Revolving credit.

(a) * * * The maximum guaranteed amount and the maximum loan amount are the same under CapLines as other 7(a) loans, as stated in § 120.151.

- * * * * *
- 16. Amend § 120.600 by revising paragraph (a) to read as follows:

§ 120.600 Definitions.

(a) *Certificate* is the document the FTA issues representing either a beneficial fractional undivided interest in a Pool (Pool Certificate), or a fractional undivided interest in some or

all of the guaranteed portion of an individual 7(a) guaranteed loan (Individual Certificate).

* * * * *

- 17. Revise § 120.601 to read as follows:

§ 120.601 SBA Secondary Market.

The SBA secondary market (“Secondary Market”) consists of the sale of Certificates, representing either a fractional undivided interest in some or all of the guaranteed portion of an individual 7(a) guaranteed loan or a fractional undivided interest in a Pool consisting of the SBA guaranteed portions of a number of 7(a) guaranteed loans. Transactions involving interests in Pools or the sale of individual guaranteed portions of loans are governed by the contracts entered into by the parties, SBA’s Secondary Market Program Guide, and this subpart. See sections 5(f), (g), and (h) of the Small Business Act (15 U.S.C. 634(f), (g), and (h)).

- 18. Amend § 120.611 by adding a new paragraph (c) to read as follows:

§ 120.611 Pools backing Pool Certificates.

* * * * *

(c) *Increments of guaranteed portion.* If the amount of the guaranteed portion of an individual 7(a) guaranteed loan is more than \$500,000, a Pool Assembler may elect to divide the guaranteed portion into increments of \$500,000 and one increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any guaranteed portion in a Pool to be not more than \$500,000. Only one increment from a loan to a specific borrower may be included in a Pool.

§ 120.701 [Amended]

- 19. Amend § 120.701 as follows:
 - a. Remove the word “Demonstration” from the definition of “Intermediary” in paragraph (e); and
 - b. Remove the number “\$35,000” from the definition of “Microloan” in paragraph (f) and add in its place the number “\$50,000.”

§ 120.702 [Amended]

- 20. Amend § 120.702 by removing the number “\$35,000” in paragraph (a)(1) and adding in its place the number “\$50,000.”.

§ 120.706 [Amended]

- 21. Amend § 120.706 by removing the number “\$3.5 million” in paragraph (a) and adding in its place the number “\$5 million.”

§ 120.707 [Amended]

■ 22. Amend § 120.707 by removing the number "\$35,000" each time it appears in paragraph (b) and adding in its place the number "\$50,000."

■ 23. Amend § 120.712 by revising paragraph (b)(2) to read as follows:

§ 120.712 How does an Intermediary get a grant to assist Microloan borrowers?

* * * * *

(b) * * *

(2) Grant monies may be used to attend training required by SBA.

* * * * *

§ 120.714 [Amended]

■ 24. Amend § 120.714 by removing the number "\$35,000" in paragraph (a) and adding in its place the number "\$50,000"

■ 25. Amend § 120.862 as follows:

■ a. Remove the word "or" at the end of paragraph (b)(8);

■ b. Remove the "." at the end of paragraph (b)(9) and add "; or" in its place; and

■ c. Add a new paragraph (b)(10) to read as follows:

§ 120.862 Other economic development objectives.

* * * * *

(b) * * *

(10) Reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.

■ 26. Revise § 120.931 to read as follows:

§ 120.931 504 Lending limits.

504 loan amounts shall be limited to:
(a) An outstanding balance of \$5,000,000 for each Borrower and its affiliates if the loan proceeds will not be directed towards a Project in paragraph (c) of this section,

(b) An outstanding balance of \$5,000,000 for each Borrower and its affiliates if one or more of the public policy goals enumerated in § 120.862(b) applies to the Project; and

(c) \$5,500,000 for each Project for:

(1) Small Manufacturers (NAICS Codes 31–33) with all production facilities located in the United States;
(2) Reduction of the Borrower's, or if the Borrower is an Eligible Passive Company, the Operating Company's energy consumption by at least 10%; or

(3) Plant, equipment and process upgrades of renewable energy sources such as the small-scale production of energy for individual buildings' or communities' consumption, commonly known as micropower, or renewable fuel producers including biodiesel and ethanol producers.

■ 27. Amend § 120.1701 by revising the third sentence to read as follows:

§ 120.1701 Program purpose.

* * * The Program's authorization expires on September 23, 2012 and the Administrator may guarantee not more than \$3,000,000,000 of pools under this authority pursuant to section 503(c)(B)(iii) of the Recovery Act, as amended by section 1119 of the Small Business Jobs Act of 2010.

PART 123—DISASTER LOAN PROGRAM

■ 28. The authority citation for 13 CFR part 123 is revised to read as follows:

Authority: 15 U.S.C. 632, 634(b)(6), 636(b), 636(d), 657n; Pub. L. 102–395, 106 Stat. 1828, 1864; and Pub. L. 103–75, 107 Stat. 739; and Pub. L. 106–50, 113 Stat. 245.

■ 29. Amend § 123.300 by removing the word "and" at the end of paragraph (c)(2); and adding a new paragraph (c)(4) to read as follows:

§ 123.300 Is my business eligible to apply for an economic injury disaster loan?

* * * * *

(c) * * *

(4) Small aquaculture enterprises.

* * * * *

PART 125—GOVERNMENT CONTRACTING PROGRAMS

■ 30. The authority citation for 13 CFR part 125 continues to read as follows:

Authority: 15 U.S.C. 632(p), (q); 634(b)(6); 637; 644 and 657(f).

■ 31. Amend § 125.2 by adding new paragraph (d)(9) to read as follows:

§ 125.2 Prime contracting assistance.

* * * * *

(d) * * *

(9) *Identifying and justifying bundled contracts.* Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the Web site of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

* * * * *

Karen G. Mills,
Administrator.

[FR Doc. 2011–26236 Filed 10–12–11; 8:45 am]

BILLING CODE 8025–01–P

DEPARTMENT OF HOMELAND SECURITY**Coast Guard****33 CFR Part 165**

[Docket No. USCG–2011–0939]

RIN 1625–AA87

Security Zone; Columbia and Willamette Rivers, Dredge Vessels Patriot and Liberty

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary security zone within 200 yards of the Dredge Vessels Patriot and Liberty while the vessels are underway, anchored, or conducting dredging operations in the vicinity of Willamette River Mile 2 and Columbia River Mile 105. Entry into this zone is prohibited unless authorized by the Captain of the Port, Columbia River or his designated representative. The Coast Guard is establishing this temporary security zone around the vessels to provide security during operations and this will be done so by prohibiting all persons or vessels from operating within 200 yards of the vessel.

DATES: This rule is effective from October 13, 2011, through October 31, 2011. The security zone has been enforced with actual notice since from 7 a.m. on October 1, 2011.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket USCG–2011–0939 and are available online by going to <http://www.regulations.gov>, inserting USCG–2011–0939 in the "Keyword" box, and then clicking "Search." They are also available for inspection or copying at the Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary rule, call or e-mail BM1 Silvestre Suga III, Waterways Management Division, Coast Guard MSU Portland; telephone 503–240–9319, e-mail Silvestre.g.suga@uscg.mil. If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION: