U.S. Small Business Administration

News Release

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SBA Proposes Revision of Size Standards To Expand Opportunities for Small Businesses

WASHINGTON – The U.S. Small Business Administration is proposing increases in the size definitions for three broad commercial sectors. The proposed increases cover size standards for 71 different types of businesses, two-thirds of them in retail trade sectors. The rest are in accommodations and food services, and other services.

The changes, if adopted, will expand eligibility to small businesses and help them gain access to SBA's financial assistance, contracting and other programs.

"SBA has undertaken a comprehensive review of our size standards to ensure they are current and reflect changes in the economy and the marketplace," SBA Administrator Karen Mills said. "SBA's lending and government contracting programs provide effective opportunities for small businesses to help them expand and create jobs, especially during these tough economic times. This review and proposed changes will help make these critical programs available to more small businesses and ensure SBA is in a position to be a real partner in helping our nation's entrepreneurs and small business owners succeed."

SBA recognizes that in some industries, existing size standards have been affected by changes in industry structure, market conditions and business models. SBA is therefore conducting a comprehensive review of all its small business size standards, and these three proposed rules are the first in the series. SBA is examining every industry to ensure that existing size standards are based on current economic data and SBA will propose to revise those where it believes it is necessary. The newly proposed rules give the public an opportunity to review and comment on SBA's proposed standards as well as on the data and methodology that SBA uses to evaluate and revise size standards.

Before this comprehensive review, the last overall review of size standards occurred more than 25 years ago. Since then, most reviews of size standards have been limited to in-depth analyses of specific industries requested by the public and federal agencies. The SBA also makes periodic inflation adjustments to its dollar-denominated size standards. The latest inflation adjustment to size standards was published in the Federal Register on July 18, 2008.

Comments can be submitted on this proposed rule on or before Dec. 21, 2009, to www.regulations.gov, where they will be posted, or mailed to Khem R. Sharma, chief, Size Standards Division, 409 3rd St. SW, Mail Code 6530, Washington, DC 20416. For more information about SBA's revisions to its small business size standards, visit *http://www.sba.gov/size* and click on "**What's New**."

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