with the standards set forth in Section 2 of Executive Order 12778.

This rule is published as a final rule in conformity with the statutory deadline established in section 212 of Public Law 103–403.

(Catalog of Federal Domestic Assistance Program Nos. 59.036, Certified Development Company Loans (503 Loans); 59.041, Certified Development Company Loans (504 Loans).

List of Subjects in 13 CFR Part 108

Loan programs—business, Small businesses.

For the reasons set forth above, SBA is amending part 108 of title 13 of the Code of Federal Regulations as follows:

PART 108—[AMENDED]

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

Authority: 15 U.S.C. 687(c), 695, 696, 697a, 697b, 697c.

2. Section 108.2 is amended by adding definitions of the following terms in the appropriate alphabetical order: "Accredited Lender" and "ALP" to read as follows:

§108.2 Definitions.

*

Accredited Lender means a 503 Company which has met the eligibility requirements of § 108.508–3 and which has executed with SBA the ALP Agreement.

ALP means the Accredited Lenders Program as provided for in § 108.508. * * * * * *

3. A new undesignated center heading and §§ 108.508–1 through 108.508–5 are added to read as follows:

Accredited Lenders Program

§ 108.508–1 Objective and characteristics of Certified Lenders Program.

(a) *Purpose.* The purpose of this subpart is to authorize for designated 503 companies, hereinafter called Accredited Lenders, expedited approval by SBA of loan processing, closing and servicing functions on specified terms and conditions.

(b) *Objective of Accredited Lender Status.* SBA will process an application for authorization of a guarantee or a loan servicing action submitted by an Accredited Lender within three business days from receipt of a complete application for authorization or a fully documented request for a loan servicing action, as the case may be. SBA reserves the right to reject any such application or request for incompleteness or other regulatory deficiency.

§108.508–2 Application procedure.

In order to be designated an Accredited Lender, a 503 company shall apply for designation to the SBA District or Branch Office where responsible for the area in which its headquarters is located by submitting a statement of its eligibility demonstrating satisfaction of the criteria contained in §108.508-3. The relevant District or Branch Office will review all such applications using SBA's "rule of two procedure" and forward only favorable recommendations to the Director, Office of Rural Affairs and Economic Development for final determination. The Director will advise all relevant District or Branch Office of his or her final decision on any such recommendation. Favorable decisions by the Director will be followed by accreditations by the relevant District or Branch Office. Unfavorable decisions by the Director will be communicated to the applicant by the Director.

§108.508-3 Eligibility.

In evaluating the application of a 503 Company to become an Accredited Lender, SBA must make a favorable determination based upon its consideration of the following factors:

(a) The 503 Company must have been an active participant in the development company loan program for not less than the preceding 12 months;

(b) The 503 Company must have welltrained, qualified loan officers who are knowledgeable concerning SBA's lending policies and procedures for the development company loan program;

(c) The 503 Company must have demonstrated the ability to process, close, and service loans under the development company program;

(d) The 503 Company must have had a loss rate on its portfolio of loans made under the development company program that is reasonable and acceptable to the SBA;

(e) The 503 Company must have demonstrated to SBA's satisfaction a history of submitting to SBA complete and accurate debenture guaranty application packages;

(f) The 503 Company must have demonstrated the ability to work with the sponsoring SBA office in a cooperative and constructive manner; and

(g) The 503 Company must have demonstrated to SBA's satisfaction the ability to serve small business credit needs through the development company program.

§108.508–4 Term of designation.

Any designation of a 503 Company to be an Accredited Lender shall be for a

term of two years, renewable for additional two year terms at the discretion of SBA upon the application of the 503 Company.

§108.508–5 Suspension or revocation.

The Director may suspend or revoke the accreditation of an Accredited Lender for good cause by forwarding a written statement of suspension or revocation to the Accredited Lender. Such statement shall specify the nature of the sanction and the reasons therefore. The decision to suspend or revoke accreditation may be appealed to the Associate Deputy Administrator for Economic Development whose decision on any such appeal shall be the final decision of SBA. Examples of good cause for purposes of these regulations include but are not limited to:

(a) The 503 Company has not continued to meet the criteria for eligibility under § 108.508-3; or

(b) The 503 Company has failed to adhere to the SBA's rules and regulations or is violating any other applicable provision of law.

Dated: March 2, 1995.

Philip Lader,

Administrator.

[FR Doc. 95–10179 Filed 4–25–95; 8:45 am] BILLING CODE 8025–01–M

13 CFR Part 108

Loans to State and Local Development Companies; Premier Certified Lenders Program for Certified Development Companies

AGENCY: Small Business Administration (SBA).

ACTION: Interim final rule.

SUMMARY: On October 22, 1994, the President signed Public Law 103–403, the Small Business Administration Reauthorization and Amendments Act of 1994. Section 217 of that Act added a new section 508 to the Small Business Investment Act, 15 U.S.C. 695 et seq. This new section authorizes the Small Business Administration (SBA) to establish a Premier Certified Lenders Program. This rule, published in accordance with Public Law 103–403, is intended to implement this new program.

DATES: This rule is effective on April 26, 1995; however, SBA will accept comments submitted by May 26, 1995. ADDRESSES: Comments should be sent to LeAnn M. Oliver, Acting Director, Office of Rural Affairs & Economic Development, Small Business Administration, 409 Third Street SW., suite 8300, Washington, DC 20416.