

**BILLING CODE 6210-01-C**

## 3. In Supplement I to part 203:

a. Under section 203.2 Definitions, 2(c) *Branch Office*, paragraphs 2. and 3. are revised.

b. Under section 203.2 Definitions, 2(e) *Financial Institution*, paragraph 2. is revised.

c. Under section 203.2 Definitions, a new paragraph title 2(j) *Metropolitan Statistical Areas and Metropolitan Divisions* is added, and a new paragraph 1. is added.

d. Under section 203.4 *Compilation of Loan Data*, 4(a)(9) *Property Location*, paragraph 3. is revised.

e. Under section 203.5 *Disclosure and Reporting*, 5(a) *Reporting to Agency*, paragraphs 4. and 8. are revised.

**Supplement I to Part 203—Staff Commentary***Section 203.2 Definitions*

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2(c) *Branch office.*

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2. *Depository institution.* A branch of a depository institution does not include a loan-production office, the office of an affiliate, or the office of a third party such as a loan broker. (But see Appendix A, paragraph I.C.6, which requires certain depository institutions to report property location even for properties located outside those MSAs or Metropolitan Divisions in which the institution has a home or branch office.)

3. *Nondepository institution.* For a nondepository institution, “branch office” does not include the office of an affiliate or other third party such as a loan broker. (But note that certain nondepository institutions must report property location even in MSAs or Metropolitan Divisions where they do not have a physical location.)

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*2(e) Financial Institution*

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2. *Adjustment of exemption threshold for depository institutions.* For data collection in 2004, the asset-size exemption threshold is \$33 million. Depository institutions with assets at or below \$33 million are exempt from collecting data for 2004.

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*2(j) Metropolitan Statistical Areas and Metropolitan Divisions*

1. *Use of terms “Metropolitan Statistical Area” and “Metropolitan Division.”* The U.S. Office of Management and Budget defines Metropolitan Statistical Areas and Metropolitan Divisions to provide nationally consistent definitions for collecting, tabulating, and publishing Federal statistics for a set of geographic areas. OMB divides every Metropolitan Statistical Area (MSA) with a population of 2.5 million or more into Metropolitan Divisions (MDs); MSAs with populations under 2.5 million population are not so divided. 67 FR 82228 (December 27, 2000). For all purposes under Regulation C, if an MSA is divided by OMB into MDs, the appropriate geographic unit to be used is the MD; if an MSA is not so divided by OMB into

MDs, the appropriate geographic unit to be used is the MSA.

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*Section 203.4 Compilation of Loan Data*

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4(a)(9) *Property location.*

\* \* \* \* \*

3. *Property location—loans purchased from another institution.* The requirement to report the property location by census tract in an MSA or Metropolitan Division where the institution has a home or branch office applies not only to loan applications and originations but also to loans purchased from another institution. This includes loans purchased from an institution that did not have a home or branch office in that MSA or Metropolitan Division and did not collect the property-location information.

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*Section 203.5 Disclosure and Reporting*5(a) *Reporting to Agency*

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4. *Options for collection.* An institution may collect data on separate registers at different branches, or on separate registers for different loan types (such as for home purchase or home improvement loans, or for loans on multifamily dwellings). Entries need not be grouped on the register by MSA or Metropolitan Division, or chronologically, or by census tract numbers, or in any other particular order.

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8. *Transmittal sheet—revisions or deletions.* If a data submission involves revisions or deletions of previously submitted data, it must state the total of all line entries contained in that submission, including both those representing revisions or deletions of previously submitted entries, and those that are being resubmitted unchanged or are being submitted for the first time. Depository institutions must provide a list of the MSAs or Metropolitan Divisions in which they have home or branch offices.

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By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Consumer and Community Affairs under delegated authority, December 18, 2003.

**Jennifer J. Johnson,**

*Secretary of the Board.*

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**BILLING CODE 6210-01-P**

**SMALL BUSINESS ADMINISTRATION****13 CFR Part 121**

**RIN 3245-AE80**

**Small Business Size Standards; Information Technology Value Added Reseller**

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

**ACTION:** Final rule.

**SUMMARY:** The U.S. Small Business Administration (SBA) is establishing a new industry category and size standard of 150 employees for Information Technology Value Added Resellers under the industry of Other Computer Related Services, North American Industry Classification System industry code 541519. This industry category and size standard is being established to better apply small business eligibility requirements under Federal contracts that combine substantial services with the acquisition of computer hardware and software.

**DATES:** This rule is effective on January 28, 2004.

**FOR FURTHER INFORMATION CONTACT:** Gary Jackson, Assistant Administrator for Size Standards, at (202) 205-6464 or [sizestandards@sba.gov](mailto:sizestandards@sba.gov).

**SUPPLEMENTARY INFORMATION:** On July 24, 2002, the SBA proposed to establish a size standard for businesses described as Information Technology Value Added Resellers (ITVAR) (67 FR 48419). Under the North American Industry Classification System (NAICS), value added resellers are classified in the Wholesale Trade Sector along with merchant wholesalers, distributors, drop shippers, brokers, and agents. For purposes of Federal contracting, a wholesale trade firm that provides supplies to the Federal Government that it did not manufacture is small if it, including its affiliates, has not more than 500 employees. The SBA proposed to retain the 500 employee size standard applicable to value added resellers and other wholesale trade nonmanufacturers for the proposed industry category of ITVARs.

In response to a large number of comments objecting to the 500 employee size standard for ITVAR, the SBA reassessed its decision to retain the nonmanufacturer size standard for this new industry category. As described below, the SBA has decided to establish a size standard of 150 employees for ITVARs. This decision is based on a review of the comments received to the proposed rule and an analysis of the characteristics of firms in the computer services and wholesale trade industries that are engaged in providing services along with information technology (IT) equipment. Below is a discussion of the comments received on the proposed rule and the size standard analysis.

**Discussion of Comments**

The SBA received 291 timely comments on the proposed rule. Two hundred and seventy six comments