

SMALL BUSINESS ADMINISTRATION**13 CFR Part 108****RIN 3245-AE40****New Markets Venture Capital Program****AGENCY:** Small Business Administration.**ACTION:** Final rule; delay of effective date.

SUMMARY: In accordance with the memorandum of January 20, 2001, from the Assistant to the President and Chief of Staff, entitled "Regulatory Review Plan," published in the **Federal Register** on January 24, 2001, this action delays for an additional 60 days the effective date of the rule entitled New Markets Venture Capital Program published in the **Federal Register** on January 22, 2001, 66 FR 7218. The effective date of the final rule was delayed once before, from February 21, 2001 to April 23, 2001, 66 FR 10811 (February 20, 2001). In order to give the Administration further opportunity to consider new regulations and to conduct a rulemaking, this additional delay is necessary.

The New Markets Venture Capital Program final rule adds a new Part 108 to implement the New Markets Venture

Capital Program Act of 2000 ("the Act"). The Act authorizes SBA to issue regulations necessary to implement the program. The regulations set forth the requirements for newly-formed venture capital companies to: qualify to become New Markets Venture Capital ("NMVC") companies; to make developmental venture capital investments in smaller enterprises located in low-income geographic areas; provide operational assistance to enterprises receiving such investments; and allow existing Specialized Small Business Investment Companies to qualify for grants to provide operational assistance to smaller enterprises located in low-income geographic areas.

To the extent that 5 U.S.C. 553 applies to this action, it is exempt from notice and comment because it constitutes a rule of procedure under 5 U.S.C. 553(b)(A). Alternatively, the Agency's implementation of this rule without opportunity for public comment, effective immediately upon publication today in the **Federal Register**, is based on the good cause exceptions in 5 U.S.C. section 553(b)(B) and 553(d)(3), in that seeking public comment is impracticable, unnecessary and contrary to the public interest. The 60-day delay

in effective date is necessary to give Agency officials the opportunity for further review and consideration of new regulations, consistent with the Assistant to the President's memorandum of January 20, 2001. Given the imminence of the effective date, seeking prior public comment on this delay would have been impractical, as well as contrary to the public interest in the orderly promulgation and implementation of regulations.

DATES: The effective date of the New Markets Venture Capital Program rule published in the **Federal Register** on January 22, 2001, at 66 FR 7218, is delayed for another 60 days, from April 23, 2001, to a new effective date of June 22, 2001.

FOR FURTHER INFORMATION CONTACT:

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Dated: April 13, 2001.

John D. Whitmore,

Acting Administrator.

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