pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to remove the Exchange's quote mitigation plan as provided by Commentary .03 to NYSE Arca Rule 6.86. The proposed rule change was published for comment in the **Federal Register** on October 21, 2014.[3] The Commission received no comments on the proposed rule change.

Section 19(b)(2) of the Act[4] provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is December 5, 2014. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change. The proposed rule change, if approved, would remove the Exchange's quote mitigation plan as provided by Commentary .03 to NYSE Arca Rule 6.86.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[5] designates January 19, 2015, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–NYSEArca–2014–117).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–28647 Filed 12–5–14; 8:45 am]

BILLING CODE 8011–01–P

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 73362 (October 15, 2014), 79 FR 62983.

[4] 15 U.S.C. 78s(b)(2).

[5] *Id.*

[6] 17 CFR 200.30–3(a)(31).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73718; File No. SR–NYSEMKT–2014–86]

Self-Regulatory Organizations; NYSE MKT LLC.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change To Remove the Exchange's Quote Mitigation Plan as Provided by Rule 970.1NY

December 2, 2014.

On October 2, 2014, NYSE MKT LLC, (''NYSE MKT'' or ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to remove the Exchange's quote mitigation plan as provided by 970.1NY. The proposed rule change was published for comment in the **Federal Register** on October 21, 2014.[3] The Commission received no comments on the proposed rule change.

Section 19(b)(2) of the Act[4] provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is December 5, 2014. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change. The proposed rule change, if approved, would remove the Exchange's quote mitigation plan as provided by Exchange Rule 970.1NY.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[5] designates January 19, 2015, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–NYSEMKT–2014–86).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–28645 Filed 12–5–14; 8:45 am]

BILLING CODE 8011–01–P

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 73367 (October 15, 2014), 79 FR 63009.

[4] 15 U.S.C. 78s(b)(2).

[5] *Id.*

[6] 17 CFR 200.30–3(a)(31).

SMALL BUSINESS ADMINISTRATION

[Docket Number: SBA–2014–0014]

Franchise Agreement Reviews, Affiliation and Eligibility for Financial Assistance

AGENCY: Small Business Administration.

ACTION: Notice; request for comment.

SUMMARY: The U.S. Small Business Administration (SBA) is re-examining the factors the agency considers relevant to the determination of ''affiliation'' between entities involved in a franchise or other similar business relationship (such as license, dealer, and jobber relationships), as well as the current processes for making such determinations in connection with SBA's business loan programs. SBA also intends to evaluate issues related to the use of SBA's Franchise Findings List and to the use of external resources (such as the Franchise Registry) that are available to assist with the determination of affiliation based on a franchise or similar business relationship. Such issues include the responsibility for choosing, approving and/or maintaining these resources and the process by which affiliation determinations are made available to the public. SBA is issuing this notice to solicit feedback from the public on these issues and related matters.

DATES: Comments must be submitted on or before February 6, 2015.

ADDRESSES: You may submit comments, identified by Docket Number: SBA–2014–0014, by any of the following methods: (1) *Federal Rulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments; or (2) *Mail/Hand Delivery/Courier:* U.S. Small Business Administration, Attn: Mary Frias, 409 Third Street SW., 8th Floor, Washington, DC 20416. SBA will post all comments to this notice on *www.regulations.gov.* If you wish to submit confidential business information (CBI) as defined in the User Notice at *www.regulations.gov,* you must submit such information to the U.S. Small Business Administration,

Attn: Mary Frias, 409 Third Street SW., 8th Floor, Washington, DC 20416, or send an email to *mary.frias@sba.gov.* 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.

FOR FURTHER INFORMATION CONTACT: Meghan Milloy, U.S. Small Business Administration, 409 3rd Street SW., 8th Floor, Washington, DC 20416, telephone number (202) 619–1654 or *meghan.milloy@sba.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

In general, SBA's programs, including its business loan programs, are available only to independent small businesses as defined by the Small Business Act and Part 121 of Title 13 of the Code of Federal Regulations (CFR). One key step in determining whether an applicant for a business loan is independent and small is to determine whether the applicant is affiliated with any other parties. SBA's regulations at 13 CFR 121.103 set forth the general principles on affiliation, including affiliation resulting from a franchise agreement. Currently, when a small business loan applicant has or will have a franchise, license, dealer, jobber or similar relationship and such relationship (or product, service or trademark covered by such relationship) is critical to the applicant's business operation, affiliation is, in part, determined by reviewing the agreement and any related documents governing the relationship (or product, service or trademark) and identifying any areas of control that could cause the applicant to not be considered independent.

Restraints imposed on a franchisee or licensee related to standardized quality, advertising, accounting format and other similar provisions generally are not considered in determining whether affiliation exists if the applicant has the right to profit from its efforts and bears the risk of loss commensurate with ownership. However, common ownership, common management or excessive restrictions upon the sale of the franchise interest may be means by which affiliation is determined to arise. 13 CFR 121.103(i). SBA has issued procedures for review of such agreements in connection with its business loan programs in SBA's Standard Operating Procedure (SOP) 50 10 5(G), Subpart B, Chapter 2, Paragraph III.B.9 and Subpart C, Chapter 2, Paragraph III.B. 5 (which may be revised periodically). If the franchise review leads to a determination that the parties are affiliated, then the size (*e.g.,* revenues, employees, net worth or net income) of the applicant and the franchisor/licensor/etc. will be combined to determine whether the applicant is small for purposes of SBA's business loan programs.

Under SBA's current processes (discussed more fully in section V below), this review is conducted by SBA for certain loan applications and by participating lenders or certified development companies (CDCs) for other loan applications. SBA conducts the review for applications submitted under ''non-delegated'' processing by lenders participating in SBA's 7(a) business loan program (7(a) lenders) and by CDCs in SBA's development company program (also known as the 504 loan program). For 7(a) loan applications processed under a 7(a) lender's delegated authority, the 7(a) lender is responsible for conducting the review. However, SBA also provides these lenders the option of submitting the relevant documents to SBA for review and a determination as to whether the parties to the agreement are affiliated.

To assist in the review of franchise and other similar relationships for the SBA business loan programs, SBA makes available a listing that identifies franchise and other similar agreements that have been approved by SBA regarding affiliation and control issues only, and therefore do not require additional review of the franchise agreement for those issues (*i.e.,* these agreements do not demonstrate a level of control, referred to in this notice as ''excessive control'' such that the parties are considered to be affiliated). SBA posts the listing of agreements approved for those issues on SBA's Web site at *www.sba.gov/for-lenders.* This information is also currently available to the public at no cost at *www.franchiseregistry.com* (the Registry). A franchise system need not be on SBA's Web site or the Registry in order to be considered acceptable for affiliation purposes, but franchise agreements on SBA's Web site or the Registry have already undergone a review and been found acceptable on those issues only. The listing of an agreement does not mean that the loan applicant meets all SBA size, eligibility, underwriting and other loan program requirements. Also, further review may be necessary if there is an amendment to the agreement or there is a formal size protest.

SBA also has developed the Franchise Findings List (the List), available on SBA's Web site at *http://www.sba.gov/content/franchise-findings,* which contains a list of franchise eligibility issues that SBA has identified over the years and contains the names of those franchises and other systems that have requirements in their franchise or other agreement that could cause a franchised business to be affiliated. The List is made available for use by 7(a) lenders and CDCs, as well as by SBA staff, in evaluating the size eligibility of a business that would operate under a franchise or similar agreement. The List is only a guide and is not a substitute for a full review of the agreement and related documents.

Additional information concerning these resources is described more fully below in Section V.

II. Definition of Affiliation for Franchise and Other Similar Relationships

By its nature, the relationship between a franchisor and franchisee necessarily provides for some level of control of the franchisee by the franchisor.[1] It is typical, for example, for a franchisor to establish standards related to quality of the product and to dictate the type of advertising that may be used. SBA rules recognize that without these standards, the brand itself could be adversely affected and, therefore, SBA does not consider such features by themselves to represent a level of control by the franchisor that would result in affiliation between the parties. Depending on other areas of control afforded the franchisor over the franchisee, however, the two may be deemed to be affiliates. Some examples of such control, referred to in this notice as ''excessive control'' and discussed in greater detail below, could include restrictions on the applicant's right to transfer its ownership interest or to sell the real property it owns.

If a franchisee applying for an SBA business loan is determined to be affiliated with a franchisor's operation, then the combined receipts or employees of the franchisor and its franchisees (as well as any other affiliated entities) are used to determine whether the franchisee applicant is

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as ''franchise'' relationships, such agreements in some cases provide for the same type of control issues that are found in franchise agreements and are treated as franchise relationships for purposes of affiliation determinations. For ease of discussion, all license, jobber, dealer and similar relationships will be referred to in this notice as ''franchise relationships'' and their agreements as ''franchise agreements,'' and the parties to such relationships will be referred to as ''franchisor'' and ''franchisee.''

''small'' and, therefore, eligible for SBA financing (assuming all other eligibility requirements are met). SBA defines affiliation in general in 13 CFR 121.103(a), which reads in part as follows: ''Concerns and entities are affiliates of each other when one controls or has the power to control the other, or a third party or parties control or have the power to control both. It does not matter whether control is exercised, so long as the power to control exists.'' The regulations further state in 13 CFR 121.103(i) that affiliation may arise ''through other means such as common ownership, common management, or excessive restrictions upon the sale of the franchise interest.'' The same regulation also states ''The restraints imposed on a franchisee or licensee by its franchise or license agreement relating to standardized quality, advertising, accounting format and other similar provisions, generally will not be considered in determining whether the franchisor or licensor is affiliated with the franchisee or licensee provided the franchisee or licensee has the right to profit from its efforts and bears the risk of loss commensurate with ownership.''

SBA would like comments on whether the regulation in 121.103(i) should be amended, including the reasons why any such changes should be made. SBA has set forth specific issues on which it is seeking comment in Section VI, but welcomes comments on all issues arising from this notice. Please provide specific suggestions as to any recommended changes.

III. Examples of Common Affiliation Issues Found in Franchise Agreements

Over the years SBA has identified a number of common provisions in franchise agreements that the Agency has determined to be evidence of excessive control (*i.e.,* a degree of control that results in affiliation) by the franchisor. These determinations have been arrived at in some cases through an adjudicatory process and in other cases through a review of franchise agreements by the Agency. Therefore, in most cases, there is no written decision. SBA's SOP 50 10 includes representative provisions SBA has determined evidence excessive control. As discussed in Section VI, SBA is interested in the public's feedback on whether the inclusion of any of these provisions in a franchise agreement is in fact evidence of excessive control and therefore affiliation between the franchisor and franchisee. SBA also encourages the public to provide detailed information on other factors that may be more indicative of affiliation between the franchisor and franchisee and whether those factors should be used in addition to or in place of those currently identified.

A. Restrictions on the Ability of the Franchisee To Transfer the Business or an Interest in the Business

SBA has long considered the business owner's ability to transfer ownership of the business as a fundamental feature of an independent business. In the context of a franchise relationship, however, SBA has also recognized that the franchisor may want to approve the franchisee's proposed transferee in order to protect the brand. When a franchise agreement requires the consent of the franchisor in order for the franchisee owner to assign or transfer his or her ownership interest in the business, SBA has determined that the parties are considered affiliated unless the franchise agreement contains language stating the franchisor's consent will not be ''unreasonably withheld or delayed.'' This is intended to ensure that the franchisee has the ability to sell the business as long as the new owner meets reasonable requirements established by the franchisor. Franchise agreements that do not contain this language and permit the franchisor to restrict the transferability of the franchise without limitation are deemed to provide excessive control over the franchisee and, consequently, result in a determination of affiliation between the franchisor and franchisee.

Similarly, franchise agreements that require the franchisee owner to remain liable for the actions of the transferee (continuing liability) after the transfer have also been determined by SBA to represent excessive control. Once a franchisor provides its consent to the transfer and accepts the transferee, a truly independent small business franchise owner should not be liable for the actions of the new owner. Non-compete provisions and other provisions that may cause a franchisee owner to be liable for his or her own actions post-transfer have been considered acceptable by SBA (*i.e.,* not excessive control).

B. Deposit of Receipts Into an Account Controlled by the Franchisor

SBA has taken the position that the ability of a franchisee to control the receipts and other funds of the business is a basic indicator of the independence of the business. Thus, a franchisee must have the ability to control its own funds, including the payment of royalty fees to the franchisor. Where the franchise agreement gives the franchisor the right to collect and control the receipts of the franchisee (including but not limited to the right to deposit receipts into an account that the franchisor controls), deduct the royalty fee and remit the remainder to the franchisee, SBA has deemed that to be excessive control.

C. Franchisor Billing and Collecting From Franchisee's Customers

Another basic indicator of an independent business is that its owners should have responsibility for running the business operations, which SBA has interpreted to include control over billing and collections. Therefore, provisions in a franchise agreement that give the franchisor the ability to manage the billing or collections function for a franchisee have generally been considered evidence of excessive control. SBA has accepted direct billing by a franchisor, however, when such practice is reasonable based on the business model, and is a standard and accepted industry practice for that industry. For example, in the fitness industry, many franchisees are part of a network of franchisee-owned businesses and the gym members are provided access to the entire network of fitness centers. Franchisor billing for that industry is necessary to enable the sharing of other facilities in the network.

D. Establishing a Price for the Sale of Assets Upon Termination, Expiration, or Non-Renewal of the Agreement

SBA considers a franchisor's option to purchase the business assets upon termination, expiration or non-renewal of the franchise agreement as not creating excessive control over the franchisee. The franchisee, however, must maintain the ability to make a profit from its efforts and, therefore, a franchisor's right to purchase the franchisee's assets should not unduly restrict the ability of a franchisee to sell the assets at the best price. For example, SBA has considered a franchisor's right to control the appraisal process (such as by selecting the appraiser) to be evidence of excessive control. Those agreements that include the ability of both parties to establish Fair Market Value of the assets, on the other hand, have been considered acceptable (*i.e.,* not excessive control).

E. Franchisor's Assumption of Control of Franchised Operations or Employees (''Step-In Rights'')

The nature of the franchise relationship requires the franchisor to have the ability to protect the interest of the brand; therefore, SBA understands that a franchisor may need to step in and assume operations of the

franchisee's business under extreme circumstances. Such provisions have been deemed acceptable (*i.e.,* not excessive control) where the franchise agreement limits the ability of the franchisor to step in and operate the business only in response to a specific type of critical incident and only for a limited time, and gives the franchisee the right to demand review of the situation. However, a franchisor's right to step in and take over the franchisee's operation for an unlimited amount of time or under routine circumstances has been considered excessive control. In addition, provisions in a franchise agreement that give the franchisor the ability to control or hire employees of the franchisee's business, other than approval of managers or key employees, have also been deemed to result in excessive control over the franchisee.

IV. New Issues That May Indicate Affiliation or Excessive Control

Some franchise agreements that SBA has reviewed recently have contained new provisions that the Agency has found to be evidence of excessive control. These issues, described below in paragraphs A through C, do not appear to be prevalent in the franchise community. The Agency would like feedback on whether they should indeed be considered indicators of excessive control. SBA encourages commenters to provide detailed justification for their positions on these issues.

A. Pricing

The Agency has taken the position that an independent business should maintain the ability to set its own pricing, which enables it to make a profit or risk a loss from its own actions. Some franchise agreements now include language giving the franchisor the ability to set both minimum and maximum prices that a franchisee may charge for its products or services. In some franchise agreements, the language is very broad, with no specific parameters or constraints on the franchisor's ability to set prices (unlike, for example, a specifically-timed promotional program or certain established national or regional accounts programs). The Agency has taken the position that franchisors that have the ability to set ranges for pricing in order to control national types of accounts or national advertising promotions are not affiliated with their franchisees as long as the pricing model is not applied in a way that would target a particular franchisee or location. SBA invites comments on whether this issue is an appropriate indicator of a business's independence, and under what circumstances.

B. Right of First Refusal (ROFR) on a Partial Assignment or Change of Ownership

The Agency believes that it is not excessive control for a franchisor to have a ROFR (allowing the franchisor to match an offer for the purchase proposed by a third party) on a sale of the franchised business or the real estate where the business is operating. Some franchise agreements extend these ROFR provisions to other types of transfers, including a transfer of an ownership interest between existing owners of a franchisee entity (*e.g.,* a sale of stock by one owner of a franchisee entity to another existing owner) or a transfer of an ownership interest by one of several existing owners to a third party. These ''partial change of ownership'' transactions do not contemplate a sale of the business entity but rather a sale of an ownership interest in the business entity. The Agency believes that the ability of the owners of a franchisee entity to change ownership percentages or control of the business entity among themselves or their family members is a basic feature of an independent business. In other words, the business entity should have the ability to transfer its interest among its owners or the families of the owners, and a franchisor should not have the ability to step in under these circumstances and become a partial owner of the franchisee's business without the franchisee's consent. However, if the partial change of ownership involves a transfer to an outside third party (not a current owner or a family member of a current owner), the issue becomes more complicated. SBA invites comments on partial change of ownership interest issues, including whether a franchisor should have the ability to match a third party's offer and become a partial owner of the business without the consent of the franchisee. SBA also invites comments regarding whether transfers between family members or other related parties or entities should impact these issues.

C. Option To Purchase/Lease Real Estate Owned by the Franchisee

SBA has taken the position that an independent business must have the ability to control the real estate that it owns or is purchasing in connection with the establishment of a franchise. If a franchisor wants to control the particular real property on which the franchised business is to be located, the franchisor can acquire the property and lease it to the franchisee. However, if the franchisee is the owner of the real property, the Agency has taken the position that provisions in a franchise agreement that force the franchisee to sell the property to the franchisor upon expiration, termination or non-renewal of a franchise agreement are evidence of excessive control, even if the provision provides for payment of the Fair Market Value of the real estate. A franchisee may prefer to hold on to the property rather than sell it upon expiration, termination or non-renewal of the franchise agreement. SBA believes that an independent franchisee that has met its obligations under the franchise agreement and that owns the real property should not be forced to sell the property and should be able to make a profit from the operation of a subsequent business on the site or through other income-producing means, subject to any non-compete provisions or de-branding requirements of the franchise location. SBA has not, however, objected to language in franchise agreements that gives a franchisor a ROFR on the sale of real estate (the ability to match the offer of a third party). SBA is interested in comments regarding real estate transactions that may occur during or at the conclusion of the franchise agreement term, and whether brand protection by the franchisor should be balanced against the franchisee's right to control and/or dispose of the real property with complete discretion.

Many franchise agreements give the franchisor the option to purchase the real estate in the event of a default under the agreement. It may be reasonable to conclude that if the franchisee does not fulfill its obligations under the franchise agreement, the franchisor should have the right to receive the benefit of its bargain. In other words, if the franchisee defaults under the franchise agreement, the franchisor should have the right to lease the real property from the franchisee (for itself or a third party franchisee) up to and including the full term of the original franchise agreement. Upon expiration of the original term of the franchise agreement, however, SBA has determined that a franchisor should not have the ability to continue leasing the property or to force any renewal rights under the franchise agreement.

We request comments on the impact of these issues on the excessive control determination, including specifics such as whether any such leasing option should be limited in any way or whether the franchisor should be able to require extension of the terms of the lease beyond the initial term of the

franchise agreement, and if so, under what circumstances.

V. Current Process for Reviewing Franchise Agreements and Related Documents for SBA's Business Loan Programs

As stated above in Section I, when a small business loan applicant has or will have a franchise, license, dealer, jobber or similar relationship, and such relationship (or product, service or trademark covered by such relationship) is critical to the small business applicant's business operation, SBA requires a determination as to whether affiliation exists between the franchisor and the franchisee. The current process for reviewing franchise agreements and related documents and making this determination for SBA's business loan programs is outlined in SBA's SOP 50 10 5(G), *Lender and Development Company Loan Programs,* as amended. (The SOP may be found at *www.sba.gov/for-lenders.*) The review is conducted by SBA attorneys for 7(a) loan applications and for 504 loan applications submitted under non-delegated processing. For 504 loan applications processed under a CDC's delegated authority, the CDC is responsible for conducting this review. For 7(a) loan applications processed under a lender's delegated authority, the lender has historically been responsible for conducting this review.

SBA has recognized that delegated lenders in the 7(a) program have become reluctant to use their delegated authority to make loans to franchisees, particularly where the franchise agreement contains novel or complicated provisions, and are sending such loan applications to SBA to be processed on a non-delegated basis. As a result, the burden of processing such loan applications on a non-delegated basis (which includes other eligibility determinations unrelated to the franchise relationship and credit underwriting) has shifted to SBA. In order to encourage 7(a) lenders with delegated authority to continue making franchise loans on a delegated basis, SBA has been providing such lenders the option to submit the franchise agreement and related documents to SBA for review and an affiliation determination. The lender can then process the loan under its delegated authority. This alternate process has become an attractive option for delegated lenders with franchise loan applications but has resulted in a significant shift in workload from delegated lenders to SBA, and a shift in responsibility from the delegated lender back to the SBA. SBA invites comments on this process. SBA also seeks suggestions on improvements to the process, whether it should be limited in some way in order to manage the workload and maintain a reasonable turn-around time for all franchise loan applications while preserving SBA review for those that are truly novel or complicated, or whether other alternatives may prove more successful and efficient in assisting delegated lenders in determining affiliation based on a franchise or similar business relationship.

Currently, delegated lenders that make their own franchise determinations have two resources to use to assist with the review process:

1. *Registry of approved agreements*—SBA makes available a listing of franchise agreements that it has determined do not create excessive control on the part of the franchisor and therefore do not create affiliation between the franchisor and franchisee. The listing of approved agreements, by year, is posted on SBA's Web site at *www.sba.gov/for-lenders.* This information is also currently available to lenders and other members of the public at no cost at *www.franchiseregistry.com* (the Registry). If agreements are found to have provisions deemed to create affiliation, and therefore not eligible for listing, SBA works with the franchisor to draft changes to the agreement or an addendum to the agreement to resolve the issue. If the issue is resolved through a change to the agreement or an addendum, the approved agreement and addendum are listed by date of the agreement (date that the franchisor placed the agreement into circulation). If a lender is making a loan to a franchisee and wants to know whether the franchise has been approved, the lender must have the correct year of the agreement that the applicant/franchisee is operating under. If the franchise agreement that the applicant will operate under is listed on SBA's Web site or the Registry, the lender does not need to review the franchise agreement and related documents.

2. *Franchise Findings List*—This is a list of franchise agreements reviewed by SBA that SBA has concluded contain provisions that represent excessive control on the part of the franchisor. The information provided by the SBA Franchise Findings List is used by lenders to ensure they are making informed affiliation determinations. Lenders consult the ''fix available'' category on the List to see if SBA and the franchisor have agreed to a solution to remedy the specific issues noted (either through a change to the agreement or an addendum). If a franchise agreement has no negotiated fix available and the noted findings remain in the agreement, then the agreement should be determined to result in affiliation. Lenders can contact SBA counsel in the District Office or the SBA Chief Franchise Counsel for specific questions regarding franchise affiliation determinations.

Lenders that believe SBA's franchise affiliation decision is inconsistent with the Agency's policies and procedures may appeal the decision by forwarding a copy of the decision, along with an explanation of how the determination is inconsistent with the applicable version of SBA's SOP 50 10, to *FranchiseAppeals@sba.gov.* Franchise appeals are reviewed by the SBA Franchise Committee comprised of Office of General Counsel attorneys. For purposes of franchise appeals, the Director for Financial Assistance or designee is an *ex officio* member of the Committee. The Associate General Counsel for Financial Law & Lender Oversight has the authority to reconsider decisions rendered by the Committee. In addition, franchisors that would like to appeal SBA's decision not to place them on the Registry may do so following the same procedures. SBA seeks information regarding these resources, along with their usefulness and efficiency in providing information to assist lenders in making affiliation determinations effectively and with appropriate timing.

VI. Request for Comments

SBA welcomes comments on all franchise affiliation and excessive control related issues discussed in this notice. The Agency also specifically requests comments on the following questions, some of which could require new statutory or regulatory authority:

(1) How can the review of franchise relationships be simplified and still ensure that SBA guaranteed loans are only provided to independent small businesses as required by statute and regulation?

(2) Currently, when a small business loan applicant has or will have a franchise, license, dealer, jobber or similar relationship and such relationship (or product, service or trademark covered by such relationship) is critical to the applicant's business operation, SBA requires a review of the agreement and any related documents governing the relationship (or product, service or trademark). Is it sufficiently clear what relationships are required to be reviewed under this standard?

(3) How does SBA's process for determining affiliation (excessive control) of franchisors and franchisees

affect small businesses during and upon termination of the franchise agreement?

(4) Should 13 CFR 121.103(i) be modified to specifically address the provisions SBA has determined evidence excessive control by the franchisor?

(5) Should 13 CFR 121.103(i) be modified to incorporate a reference to ''Loan Program Requirements, as defined in 13 CFR 120.10,'' because SBA's policies in this area are explained in the Loan Program Requirements, and more particularly in SBA's SOP 50 10?

(6) Should SBA develop a process to accept a certification of non-affiliation from a franchisor and/or its counsel, based on standards established by SBA, in lieu of SBA or lender review of the franchise agreement and related documents?

(7) If so, should that process be available only with respect to ''renewal requests''—*i.e.,* only for franchisors that have had franchise agreements reviewed and approved by SBA in a prior year?

(8) If an applicant is not a franchisee but has an affiliate that is a franchisee, should SBA continue to review the affiliate's franchise agreement and related documents as part of the small business size determination of the applicant?

(9) Should SBA continue to list agreements on a central registry and, if so, where should that registry be maintained and by whom?

(10) If there is a cost associated with the maintenance of the registry, who should bear that cost? Should there be a charge for listing of agreements on a registry and, if so, who should bear the cost for such listing? SBA notes that there are statutory limitations on SBA's current authority to charge, retain and use fees.

(11) In light of the fact that SBA lists approved franchises on its Web site, is there a need to continue to post the Franchise Findings List as well?

(12) Should the franchise agreement review process be streamlined and/or simplified and, if so, in what way?

(13) Should the franchise appeal process be changed and, if so, in what way?

Dated: December 2, 2014.

Linda S. Rusche,

Director, Office of Financial Assistance.

[FR Doc. 2014–28698 Filed 12–5–14; 8:45 am]

BILLING CODE 8025–01–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Supplemental Draft Environmental Impact Statement; Washington, DC

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Revised Notice of Intent (NOI).

SUMMARY: FHWA is issuing this revised NOI as a correction to advise agencies and the public that a Supplemental Draft Environmental Impact Statement (SDEIS) will be prepared for the South Capitol Street Project (the Project). The Project proposes to make major changes to the South Capitol Street Corridor from Firth Sterling Avenue SE. to Independence Avenue and the Suitland Parkway from Martin Luther King, Jr. Avenue SE. to South Capitol Street, including replacing the existing Frederick Douglass Memorial Bridge over the Anacostia River. This notice revises the NOI that was published in the **Federal Register** on July 28, 2014

FOR FURTHER INFORMATION CONTACT: Federal Highway Administration, District of Columbia Division: Mr. Michael Hicks, Environmental/Urban Engineer, 1990 K Street NW., Suite 510, Washington, DC 20006–1103, (202) 219–3513, email: *michael.hicks@dot.gov;* or the District of Columbia Department of Transportation: Mr. E.J. Simie, PE, Project Manager, 55 M Street SE., Suite 400, Washington, DC 20003, (202) 671–2800, email: *ej.simie@dc.gov.*

SUPPLEMENTARY INFORMATION: In March 2011, the FHWA in conjunction with the District Department of Transportation (DDOT) approved release of the Final Environmental Impact Statement (FEIS) for the Project. The availability of the FEIS was announced in the April 8, 2011 **Federal Register**. The alternatives examined in detail in the FEIS included a No Build Alternative and three build alternatives: Build Alternatives 1 and 2 and the Preferred Alternative, which was a modification of Build Alternative 2. A movable arched bascule was selected for the new Frederick Douglass Memorial Bridge. The alignment of the new bridge would be at an angle from the existing bridge to allow the swing span on the existing bridge to remain operational during construction, which meant that right-of-way would be needed from Joint Base Anacostia-Bolling (JBAB). Build Alternatives 1 and 2 were eliminated from consideration in the FEIS and, therefore, will not be considered in the SDEIS.

Since publication of the FEIS, FHWA and DDOT have considered major changes regarding the design of the FEIS Preferred Alternative. Most notably, DDOT reconsidered the need to obtain right-of-way from JBAB, which resulted in changing the alignment of the proposed new Frederick Douglass Memorial Bridge to a location immediately south of and parallel to the existing bridge. In addition, new information about current and planned navigation along the Anacostia River, including the navigation requirements of the U.S. Navy (USN), led to the decision to make the new bridge a fixed span structure instead of a movable span structure. Other notable design revisions made to the FEIS Preferred Alternative include the conversion of the east side traffic circle to a traffic oval similar in size to the proposed west traffic oval, and changes to the proposed ramps or ramp modifications between South Capitol Street and I–695, Suitland Parkway and I–295, and Martin Luther King, Jr. Avenue SE. and Suitland Parkway. Due to these and other design changes, a Revised Preferred Alternative was developed.

The SDEIS will be prepared in accordance with the requirements of the National Environmental Policy Act (NEPA) of 1969, as amended (42 U.S.C. 4371, *et seq.*), Council on Environmental Quality (CEQ) regulations (40 CFR parts 1500–1508), FHWA Code of Federal Regulations (23 CFR 771.101–771.137, *et seq.*), and all applicable Federal, State, and local government laws, regulations, and policies. The SDEIS will describe the revised preferred alternative, update the affected environment, and describe the anticipated environmental impacts of the Revised Preferred Alternative in comparison to the anticipated environmental impacts disclosed in the FEIS for the FEIS Preferred Alternative. The Purpose and Need of the Project did not change from the FEIS. The U.S. Navy; U.S. Army Corps of Engineers; U.S. Coast Guard; the National Park Service; and the District of Columbia Department of the Environment will continue to serve as Cooperating Agencies for the Project.

A 45-day review period will be provided following the Notice of Availability of the SDEIS in the **Federal Register**, and a public meeting will be held within this review period. The public meeting will be conducted by DDOT and announced a minimum of 15 days in advance of the meeting. DDOT will provide information for the public meeting, including date, time and location through a variety of means including the Project Web site (*http://www.southcapitoleis.com*) and by newspaper advertisement.