



1152 FIFTEENTH STREET NW, SUITE 430
WASHINGTON, DC 20005
PHONE: 202-296-2622

February 26, 2020

Rosemarie Drake
Office of Financial Assistance
Office of Capital Access
Small Business Administration
409 Third Street SW
Washington, DC 20416

**Re: Request for Extension of Effective Date - Docket No. SBA-2020-02128 / RIN 3245-AG74;
Express Loan Programs; Affiliation Standards**

Dear Ms. Drake:

The National Chicken Council (NCC) respectfully requests that the Small Business Administration (SBA or the Agency) extend to October 1, 2020, the effective date for the changes made to 13 C.F.R. §121.301(f) by the above-referenced Interim Final Rule entitled Express Loan Programs; Affiliation Standards, published in the *Federal Register* on February 10, 2020.¹ This extension is necessary so that affected parties have a meaningful opportunity to formulate comment on the newly announced affiliation principles and the Agency has a meaningful opportunity to appropriately consider any comments received and revise any actions as appropriate.

NCC is the national, non-profit trade association that represents vertically integrated companies that produce and process more than 95 percent of the chicken marketed in the United States. Although NCC processor member companies do not directly participate in the SBA Section 7(a) loan program, many independent, small family farmers that raise broiler chickens do.

The Interim Final Rule announced a number of significant changes, including establishing a review process whereby SBA would review farmer contracts and make an affiliation determination based on a set of criteria newly announced in the Interim Final Rule. This change would substantially affect the operations of many small, family farms across the country.

To formulate meaningful comments, NCC will have to consider how these announced changes would affect our members' complex operations as well as the broader supply chain that includes many independent small family farmers. NCC is actively analyzing the Interim Final Rule and collecting the information necessary to provide meaningful comments, but additional time will be necessary for the chicken industry to provide carefully considered responses that will assist the SBA's decision-making process and to ensure the Agency has sufficient time to consider comments on the announced changes before those changes are implemented. An extension is particularly important in this case

¹ 85 Fed. Reg. 7622 (Feb. 10, 2020).

because the new affiliation criteria were substantially changed in the IFR from those proposed, SBA notes that changes from the proposal were necessary in light of complex broiler chicken industry issues, and the affiliation criteria are currently scheduled to go into effect well before the comment period even closes.

If you need any further information, please do not hesitate to contact us. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mike Brown', with a stylized, flowing script.

Mike Brown
President, National Chicken Council

cc: Jovita Carranza, Administrator, Small Business Administration