

SBA to Adopt Revised Small Business Loan Guidelines Effective March 2024



By [Mitchell J. Ream](#)

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On February 15th, the U.S. Small Business Administration published a final rule to adopt the current statutory alternative size standard for its 7(a) and 504 loan programs, subject to an adjustment for inflation that has occurred since the establishment of the statutory alternative size standard in 2010.

The inflation adjustment would increase the size standard's level for tangible net worth from \$15 million to \$20 million and from \$5 million for net income to \$6.5 million.

The SBA is also adjusting for inflation the applicable statutory limits for contract size under the Surety Bond Guarantee (SBG) Program. The adjustment increases the contract limit to \$9 million and the contract limit for Federal contracts, if a federal contracting officer certifies that such a guarantee is necessary, to \$14 million.

The inflation adjustments, which will increase access for small businesses to these SBA programs, will go into effect on March 18, 2024.

For questions regarding how this rule may impact you, please contact one of our [Banking & Financial Transactions](#) practice team members at Lippes Mathias LLP for more information.

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