U. S. Small Business Administration (SBA)
SBIC Critical Technologies Supplemental Information – SBA Form 1030 and 1032
OMB Control Number 3245-XXXX
Justification – Part A Supporting Statement

Overview of Information Collection: The U.S. Small Business Administration (SBA) is requesting approval of a new information collection for the Small Business Investment Company (SBIC) program's Form 1030 and 1032 to be used in part by applicants seeking a license to operate as an SBIC under SBA's Critical Technology initiative (SBICCT) or to operate within the Department of War's (DoW) Critical Technology Limited Partner program (CTLP). SBICCTs and CTLP program participants will be required to report additional information to ensure it will attract and scale private capital investment into businesses involved in the development of technologies, components, and production processes critical to the U.S. national and economic security and refrain from deploying capital in a manner inconsistent with public benefit.

1. Need & Method for the Information Collection. The Small Business Investment Act of 1958, as amended (the Act), authorizes SBA to license, regulate, and provide leverage to Small Business Investment Companies (SBICs) for the purpose of providing financial and management assistance to eligible small business concerns. Section 301(c) of the Act requires that SBA consider certain factors in its evaluation of a license application, including adequate capital; diversification of ownership; whether management is qualified and has the knowledge, experience and capability necessary to comply with the Act; the need for and availability of financing in the applicant's proposed service area; the general business reputation of the applicant's owners and managers; and the probability of successful operations. SBA Form 1030, the Risk Assessment Supplemental Information, and SBA Form 1032, the SBIC Critical Technologies Supplemental Questionnaire, are used in both the SBIC licensing process and throughout post-licensing fund operations.

   SBA's authority to collect this information is derived from the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.), including provisions governing licensing, oversight, and regulation of Small Business Investment Companies (SBICs). SBA is further authorized under 13 CFR Part 107 to evaluate the character, fitness, and qualifications of applicants and associated persons involved in the operations of the applicant.

   Additionally, pursuant to OMB Circular A-129, federal credit agencies must evaluate program participants to safeguard the integrity of federal credit programs. The collection of information under Forms 1030 and 1032 supports SBA's obligation to assess ownership structure, management control, and risk factors, including potential foreign ownership, influence, or control.

   On June 5, 2025, the DoW and SBA amended and restated its original Memorandum of Agreement (MOA) dated March 2, 2023 to formally continue and expand its relationship with respect to the SBIC Program, the SBICCT Initiative and the CTLP program. While DoW and SBA have their own statutory and regulatory authorities permitting the activities, rights and obligations included in the MOA, the Economy Act, 31 U.S.C. § 1535 (the "Economy Act") provides the authority and procedures by which one executive agency needing supplies or services obtains and transfers funds for such supplies or services from another executive agency. The Economy Act is the primary governing authority for DoW to support the programs and activities implemented under SBA's authorities and the primary governing authority for SBA to support the programs and activities implemented under DoW's authorities.

As part of its responsibilities under the DoW SBICCT Initiative and CTLP program, SBA will collect required information from applicants through the submission of SBA Forms 1030 and 1032. System of Records Notice (SORN) titled, Small Business Investment Company Information System (SBA SBICS 40), which serves as the centralized and automated framework for the organization, retrieval, and analysis of information supporting SBA's oversight and risk management roles for the SBIC program and SBA's technical assistance to and
related support of any Capital Assistance Program (defined below). This information collection includes managers, executives, members, and employees associated or affiliated with an SBIC or a Capital Assistance Program applicant/ licensee (''CAP Entity''), and personal and professional references for certain of the foregoing. It also includes investors, portfolio companies, certain portfolio company employees, service providers, and certain other individuals associated, affiliated or involved with an SBIC or a CAP Entity. In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, all or a portion of the information contained in this system may be disclosed to authorized entities, as is determined to be relevant and necessary, outside SBA as a routine use pursuant to 5 U.S.C. 552a(b)(3) to other Federal agencies or Federal entities when mandated by executive orders or statute, or as documented by a Memorandum of Understanding or Memorandum of Agreement or Information Exchange Agreement or Data Sharing Agreement (each an ''Agreement'') and approved by the applicable Authorizing Officials in compliance with the Privacy Act of 1974, as amended, 5 U.S.C. 552a and SBA's policies, specifically including any Agreement under which SBA, through its Office of Investment and Innovation and supporting offices, provides technical assistance and support to a federal loan or guarantee program authorized by statute and designed to provide investment capital assistance to eligible businesses (each such program for purposes of this SORN a ''Capital Assistance Program.''). These Agreements may be subject to review and approval by SBA's Office of General Counsel and SBA's Senior Agency Official for Privacy or designee.

2. <u>Use of information.</u> The Risk Assessment Supplemental Information and Critical Technologies Supplemental Questionnaire provide SBA and/or DOW with the information necessary to make informed and proper decisions regarding the approval or denial of an applicant for an SBICCT or CTLP license. The SBA Form 1030 requests detailed information on all individuals and entities associated with an applicant's general partner, management company, limited partners and third-party service providers. The information provided enables U.S. government departments, agencies and their contractors to conduct a comprehensive risk assessment of potential foreign ownership, influence, or control. The SBA Form 1032 requests detailed information on the proposed critical technology or enabling technology and production process for each investment.

   Information collected under Forms 1030 and 1032 may be reviewed by authorized federal departments, agencies, or their contractors for purposes of national security, foreign ownership risk analysis, and federal credit integrity assessments. Such disclosures are made consistent with applicable Privacy Act routine uses and federal information-sharing authorities.

3. Use of Information Technology. SBA application forms are made available for download from the SBIC Program webpage at https://www.sba.gov/partners/sbics/apply-be-sbic and would be made available on DoW's Office of Strategic Capital – DoW Research & Engineering website at https://www.cto.mil/osc/. Generally, all application materials are prepared using Microsoft Excel and accepted only in electronic format to reduce burden and expedite the preparation and review process. SBA Form 1030 is prepared in Excel and will provide applicants and SBA with the greatest flexibility to analyze quantitative information. Applicants may still be required to submit portions of their final licensing documents in hard copy so SBA may maintain a record of signed originals, which is anticipated to be less than 5%.

4. Non-duplication. The Risk Assessment Supplemental Information is used to identify potential foreign ownership, influence, or control in the formation and operation of an SBICCT or CTLP fund while the Critical Technologies Supplemental Questionnaire is used to provide information on each critical technology investment. Companies are newly formed for the specific purpose of seeking an SBIC license and have not previously reported the required information to SBA or any other governmental entity.

   In some cases, SBICCT or CTLP applicants may have already prepared some of the information requested in Forms 1030 and 1032 for private investors. Where appropriate, these applicants are encouraged to use pre-existing materials to satisfy SBA's information requests and thus limit the amount of new material that must be produced. However, without this collection, this information is not otherwise available to SBA.

5. Burden on Small Business. The majority of applicants for an SBICCT or CTLP license are small entities. These entities typically are newly formed for the purpose of seeking an SBICCT or CTLP license. This information collection will not have a significant impact on a substantial number of these entities. The one-time burden of completing SBA Form 1030 and 1032 is part of the overall process of organizing and capitalizing the SBIC applicant, which anticipated to be over 90%. Updating the form is completed on a quarterly basis if the underling information has changed.

6. Less Frequent Collection. The Risk Assessment Supplemental Information and Critical Technologies Supplemental Questionnaire are critical to assess the risks of any potential foreign ownership, influence, or control in applicants that manage private capital investments in critical technologies that are vital for national security and in the determination that investments made are fulfilling SBA's Critical Technologies strategic priorities. Each SBICCT or CTLP applicant will be required to submit this information at time of the application submission, and updates to the information contained in the forms at fund closing, and on a quarterly basis thereafter. There is no similar information available that can be used to accomplish the purposes of this collection. If the information were not collected, SBA would be unable to meet its responsibilities with respect to the licensing and oversight of SBICs under the SBICCT Initiative or CTLP program.

7. Paperwork Reduction Act Guidelines. There are no special circumstances that would cause the conditions described. Although, SBICCT Initiative and CTLP program applicants are required to submit confidential business information, the information collected will be protected to the extent permitted by law. Without this information, SBA could not satisfy its obligation to evaluate an applicant's investment into small businesses involved in the development of technologies,

components, and production processes critical to the U.S. national and economic security and refrain from deploying capital in a manner inconsistent with public benefit.

8. Consultation and Public Comments. A 60-day notice was published in the Federal Register on Friday, September 12, 2025, 90 FR 38876. The comment period closed on Tuesday, October 14, 2025. SBA did not receive any comments during the comment period.

9. Gifts or Payment. No payments or gifts are provided to respondents.

10. Privacy and Confidentiality. The information collected in SBA Form 1030 includes personal data concerning managers of the proposed SBICCT or CTLP applicant. SBA Form 1030 also requests personal background information (such as name, address, social media profiles, and contact information), which is needed to enable SBA and DoW to conduct a comprehensive risk assessment of potential foreign ownership, influence, or control and make appropriate decisions regarding the approval or denial of an applicant for an SBIC license. The information collected in SBA Form 1032 includes the type of proposed critical technology or enabling technology, component or production process.

    The collection of ownership, foreign affiliation, and related data elements is necessary to evaluate potential foreign ownership, influence, or control risks and ensure compliance with federal statutory and regulatory requirements. SBA limits collection to information directly relevant to program eligibility and national security risk assessment and applies data minimization principles where practicable. This system is associated with the Office of Investment and Innovation ("OII") Customer Relationship Management ("CRM") system. Additional details may be found in the OII CRM Privacy Impact Assessment, supported by SBA 40, System of Records Notice, PAI-2025 SBA.pdf (govinfo.gov). Information may also be shared with other federal agencies consistent with routine use provisions and applicable law for risk assessment and eligibility determinations. A Privacy Impact Assessment will be conducted or updated as necessary to reflect the new data elements collected under these forms.

    The information provided is protected from disclosure under the Freedom of Information Act; specifically, exemptions 4, 6 and 8 allow SBA to withhold financial data on individual companies. The information collected will be protected to the extent permitted by law. Records are maintained under conditions designed to preclude access by persons other than Agency personnel with a need to know.

11. Sensitive Questions. SBA Forms 1030 and 1032 request confidential business information that may be considered sensitive, including portfolio ownership information and proposed critical technology or enabling technology, component or production processes. SBA considers this information essential to the fulfillment of its assessment of foreign influence risks and types of critical technology or enabling technology, component or production processes that are critical to national security.

    SBA safeguards business proprietary information in compliance with federal laws, guidelines, and SBA's Cybersecurity and Privacy Policy. Data in transit and at rest are encrypted to mitigate the potential of data spillage. Access controls and role-based permissions are just some of the other security precautions in safeguarding our customer's data.

12. Burden Estimate. The estimated hour burden for Form 1030 and 1032 is calculated in the following table with the assumption that each applicant is required to submit this information at time of the application submission, and updates to the information contained in the forms at fund closing, and on a quarterly basis thereafter. SBA estimates each applicant will submit this form (5 or 6) times a year. As noted above, in some cases, SBIC applicants may have already prepared some of the information requested in Forms 1030 and 1032 for private investors. Where appropriate, these applicants are encouraged to use pre-existing materials to satisfy SBA's information requests and thus limit the amount of new material that must be produced. The time necessary to gather ownership records, collect third-party disclosures and prepare technical investment summaries is estimated to be half an hour for each Form.

Respondent Type	Number of respondents	×	Frequency	×	Hours per response	=	Total Hour Burden
Form 1030	25		6		0.5		75
Form 1032	25		6		0.5		75
TOTAL COLLECTION							150

The cost to respondents of the estimated hour burden is shown in the following table:

Respondent Type	Number of responses	×	Hours per response	×	Cost per Response	=	Total Cost
Form 1030	150		0.5		$59.24		$8,886
Form 1032	150		0.5		$59.24		$8,886
TOTAL COLLECTION							$17,772

The estimated hourly cost to respondents is calculated using the mean hourly wage of $118.48 (mean annual wage of $246,440) for Chief Executives (rate obtained from the most recently available 2022 Bureau of Labor Statistics, Occupational Employment Statistics, Chief Executives).

13. Estimated nonrecurring costs.
    a. There are no capital or start-up costs to respondents.
    b. The annual cost burden for the purchase of services and fees resulting from the collection of information is estimated as follows:

Estimated Expenses	Total
Accounting/financial advisory fees	$158.5
Total Cost Per Response	$158.5

Quarterly and Annual Submission (6x Annually)	
Total	$951.0
Total for all respondents	$23,775

The estimated hourly cost of a corporate attorney is calculated using the average hourly rate of $317 (rates typically ranging from $196 to $490 depending on location and practice area) for Lawyers performing the required services to review the forms for a half an hour (average hourly rate obtained from Clio's Legal Trends Report).

14. Estimated cost to the Government. The Federal Government's cost to review and analyze each Form 1030 and Form 1032 submission is estimated at $56.85. The aggregate cost is computed using FY 2023 hourly rates for Washington, DC:

Forms 1030 and 1032 Reviews	Hours	Rate	Total
Analysis by Licensing Analyst (GS-13)	0.50	$60.83	$30.42
Supervisory Review (GS-14, Step 5)	0.25	$71.88	$17.97
Supervisory Review (GS-15, Step 5)	0.10	$84.55	$8.46
Total Cost for Reviews			$56.85
Estimated Number of Forms			200
Total Annual Cost			$11,370

15. Reasons for changes. Not applicable. This is a new collection of information.

16. Publicizing Results. Not applicable. Results of this collection of information will not be published.

17. OMB Not to Display Approval. Not applicable. The expiration date will be displayed.

18. Exceptions to "Certification for Paperwork Reduction Submissions." There are no exceptions to the certification statement.

Part B: Collection of Information Employing Statistical Methods.

This collection of information is not a survey and does not employ statistical methods.