Revision 2
Section 105.101
to Section 105.901

PART 105
STANDARDS OF CONDUCT
U.S. SBA RULES AND REGULATIONS

Filing Instructions: Remove and destroy all of Part 105 (Revision 1) including all amendments thereto.

Insert this new Part 105 (Revision 2) immediately following Part 104.

Revision 2 of 105 supersedes the previous Part 105 and all amendments thereto.

Title 13—Business Credit and Assistance

CHAPTER I—SMALL BUSINESS ADMINISTRATION

[Revision 2]

PART 105—STANDARDS OF CONDUCT

Correction

In FR Doc. 76-20744 published July 19, 1976 (41 FR 29656) the following preface should have been included.

The Small Business Administration has completely revised its Standards of Conduct for employees, making both technical and substantive changes in the code for employees' conduct.

The revision of the regulation has involved extensive reorganization and editing, deletion of obsolete provisions, and addition of new provisions and procedures. Some of the more significant changes are as follows:

GENERAL REVISIONS

1. Even where the substance of a regulation is not changed, the language and format often are changed extensively in the interest of clarity.

2. The currently designated Ad Hoc Committee for reviewing ethics and conflicts questions is renamed the Standards of Conduct Committee.

3. Except where specifically noted in the revision, standards of conduct for both "employees" and "Special Government Employees" are the same.

4. The revised regulations provide guidelines and criteria for Standards of Conduct Committee consideration of a matter wherever possible. This is done both to assist the Committee and the employees in using the regulations.

5. Unlike the previous regulations, this Revision will not track the language of criminal statutes from which certain regulatory provisions are derived. The purpose of this change is to adapt the ethical concept involved to regulatory needs and format rather than simply following the statutory language which ease in administration by the Agency and understanding by employees.

6. The numbering system for the regulation is changed in the interests of administrative convenience and clarity.

SPECIFIC REVISIONS

(1) *Section 105.101.* Section 105.101 generally follows the Purpose clause in the previous regulations. A provision is added, however, to point out that SBA administers only its own regulations, and that definitive interpretations and decisions regarding other laws can be obtained only from the administering agency. For example, criminal statutes, from which some SBA "conflicts" regulations are derived, are administered by the Department of Justice.

(2) *Section 105.201.* New definitions are provided in this Section for "Employee", "Person", "Member of Household", "his" and "SBA Assistance." These new definitions are generally technical in effect. The generally broad definition of "SBA Assistance", however, can have significant substantive effect, since proscriptions in the regulations often relate to recipients of and applicants for "SBA Assistance."

(3) *Section 105.301.* The General Requirements of Section 105.301 reposition in one place similar statements previously scattered throughout Revision No. 1.

(4) *Sections 105.403–404.* The "post-employment" limitations derived from 15 USC 642 are made more meaningful in the revision by providing specific enforcement authority against a recipient of "SBA Assistance" which retains a former employee in derogation of the regulation. Secondly, these limitations are extended to situations where applicants for SBA assistance have former SBA employees as owners, creditors, debtors or stockholders, as well as employees. Furthermore, the regulation is clarified by specifying the limitations in terms of assistance applicants which are associated by employment or business interest with former SBA officials as well as in terms of post employment of the former employees.

(5) *Section 105.501.* Section 105.501 deals with "conflicts" arising where an employee acts in a representative capacity for or receives compensation from another party in a matter in which the Government has an interest. The revision adapts the language of the companion criminal statute, rather than tracking it, in order to suit its regulatory needs.

This is a provision where the exception for "Special Government Employees" is retained, but in a slightly narrower version. As changed, a "Special Government Employee" may appear in a case against the Government, but only if the matter is not pending at SBA during his service as a "Special Government Employee", he was not personally involved in the matter, and the matter had not been subject to his official responsibility, either as a "Special Government Employee" or otherwise. The latter "official responsibility" restriction is new.

(6) *Section 105.502.* Section 105.502 deals with "conflicts" arising where an employee receives compensation in connection with his official duties from a non-Government source. That provision in Revision No. 1, based upon 18 USC 209, followed the criminal statute in exempting "Special Government Employees" from its restrictions. This revision would delete the exemption for "Special Government Employees" insofar as the regulation is concerned on the ground that the "conflicts" danger is equal, if not greater, for "Special Government Employees". This would result in the SBA "conflicts" regulation being more restrictive to this extent than the criminal statute upon which it is based.

The previous regulations confine the limitations against SBA assistance to concerns in which employees have an ownership interest to those cases where the interest is 10 percent or more. This percentage limitation is deleted from the revision on the grounds that it is not flexible enough. For example, 9 percent or even 1 percent ownership in a particular "SBA assistance" recipient by an employee might raise a serious "conflicts" question. Experience indicates that the matter can be handled effectively by the Standards of Conduct Committee on a case-by-case basis, and that full disclosure is more important to the Agency than the satisfaction of an arbitrary standard.

(9) *Section 105.509.* Subsection (4) of this provision is new. It is added to make it clear that false statements to the detriment of the Government or another employee are within the scope of proscribed conduct.

(10) *Section 105.510.* Express guidelines for consideration of outside employment requests are provided in the revision.

(11) *Section 105.511.* The requirement to file Confidential Statements of Employment and Financial Interests is changed to include all employees involved in discretionary activities rather than merely those at GS–13 and above, as is the case under the current regulations. In SBA's decentralized organization, many of the field personnel immediately involved in the approval and disbursement of loans and other SBA assistance are under the GS–13 level.

The current regulations specify that incumbents in certain high ranking agency positions must file Statements solely by virtue of their official positions. In order to avoid the technical difficulties that arise when position titles are changed or new positions are added, the revision would require "ex officio" filing from all employees classified at Executive Levels IV & V and GS–17 and 18.

The revised rules provide greater precision and guidance regarding the mechanics of filing Statements, e.g., the determination as to who must file, with whom, and how, filing should be effected.

The present distinction in filing requirements between regular employees and "Special Government Employees" is eliminated. It is reasoned that "Special Government Employees" are subject to equal, if not greater, "conflicts" dangers as regular employees and thus should be subject to at least the same reporting requirements.

(12) *Section 105.517.* The current regulation requires employees to report possible irregularities in official functions to the Director of Personnel. The revision would add the Director, Security & Investigations Division, as a required recipient of such reports.

(13) *Section 105.518.* This revised regulation is a new provision expressly restricting the acceptance of gifts, entertainment or favors by employees or their families from persons who do business with SBA.

(14) *Section 105.519.* The revision would delete the requirement that requests for exceptions to the antigambling rule from the Administrator to the Director of Personnel.

(15) *Section 105.601.* The current regulation requires Ad Hoc [Standards of Conduct] Committee approval for SBA assistance to persons employed by other Government agencies at GS–13 and above or equivalent and a letter of "no objection" from the other Government department in the case of employees under GS–13. Experience has demonstrated that this is excessive regulation, resulting in the creation of unnecessary administrative work and documentation. The revision would merely require a letter of "no objection" for employees GS–13 and above. No approval procedure for other employees would be required.

The revision establishes a new requirement that assistance to officers and employees of the legislative and judicial branches of the U.S. Government can be granted only with Standards of Conduct Committee approval.

(16) *Section 105.602.* The revision would add a new provision requiring Standards of Conduct Committee approval for SBA assistance to SCORE and ACE volunteers. In addition, criteria for this Committee review are provided in the regulation.

Because Part 105 consists of rules relating to Agency management and personnel, adoption of the revised regulations through the rulemaking procedure prescribed in 5 USC 553 is not required and this revised Part 105 is hereby adopted without resort to those procedures. In accordance with Agency policy, however, interested persons may submit written comments concerning the revised Part 105 to Mr. Donald W. Farrell, Associate General Counsel, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

This revision of Part 105 was approved by the Civil Service Commission on June 11, 1976, and shall be effective August 10, 1976.

Dated: July 12, 1976.

MITCHELL P. KOBELINSKI,
Administrator.

[FR Doc.76-23221 Filed 8-9-76;8:45 am]

PART 105

STANDARDS OF CONDUCT

SBA RULES AND REGULATIONS

§ 105.101 Purpose and scope.

(a) This part prescribes standards of conduct for all SBA employees relating to possible conflicts between their official duties or the public interest and their private interests.

(b) This part deals with SBA administrative standards and does not purport to be interpretative of requirements imposed by analogous criminal statutes or regulations or directions of other proper authorities. Definitive assistance with respect to such requirements can be obtained from the Department of Justice regarding criminal statutes and from the administering department regarding other statutes, regulations and directives.

§ 105.201 Definitions.

(a) "SBA" means the Small Business Administration.

(b) "Administrator" means the Administrator of the Small Business Administration.

(c) "Employee" means an officer or employee of the Small Business Administration, regardless of his grade, status or place of employment, including employees on leave with pay or on leave without pay other than those on extended military leave. Unless stated otherwise, "Employee" shall include those within the category of "Special Government Employee."

(d) "Special Government Employee" means an officer or employee of SBA, who is retained, appointed or employed to perform temporary duties on a full-time or intermittent basis, with or without compensation, for not to exceed 130 days during any period of 365 consecutive days.

(e) "Government" means the Government of the United States.

(f) "Person" means an individual, a corporation, a company, an association, a firm, a partnership, a society, a joint stock company, or any other organization or institution.

(g) "Member of household" means (1) spouse and minor children of an employee; and (2) all blood relations of the employee and of his spouse who reside in the same place of abode with the employee.

(h) The use of the masculine gender throughout this part shall mean masculine or feminine.

(i) "SBA Assistance" means financial, contractual, managerial or other aid, including size determinations, granted by SBA under the Small Business Act, as amended, the Small Business Investment Act, as amended and other relevant law. For the purposes of this part, this term shall also include an express decision to compromise or defer possible litigation or other adverse action.

(j) "Department" means any department, agency, independent establishment or wholly-owned corporation of the U.S. Government.

(k) "Standards of Conduct Committee" is that administrative body within SBA which administers and interprets standards of employee conduct. Its function and composition are explained in § 105.801 herein.

§ 105.301 General requirements.

(a) No employee in the conduct of official business shall grant preferential treatment to or discriminate against any person.

(a) The date of such assistance or such administrative act with respect thereto was within the period of the employee's term of employment, or;

(b) The date of such assistance or such administrative act with respect thereto was within one year following the termination of such employment.

Failure of a recipient of SBA assistance to comply with these provision may result, in the discretion of SBA, in the requirement for immediate repayment of SBA financial assistance, the immediate termination of other assistance involved or other appropriate action.

§ 105.404 SBA assistance to person employing former SBA employee.

(a) SBA shall not provide assistance to any person who has as an employee, owner, partner, attorney, agent, owner of stock, officer, director, creditor of debtor, any individual who, within one year prior to the request for such assistance was an SBA employee, without the prior approval of the Standards of Conduct Committee.

(b) In reviewing applications for assistance, the Sandards of Conduct Committee will consider:

(1) The relationship of the former employee with the applicant concern;

(2) The nature of the SBA assistance requested;

(3) The position held by the former employee with SBA and its relationship to the assistance requested; and

(4) The appearance of a possible conflict of interest that might arise if the assistance were granted.

§ 105.405 Cross references.

There are statutory provisions which are relevant to the obligations of and restrictions upon former employees. Some of these statutory provisions are:

(a) 18 USC 207.

(b) 15 USC 642.

RESTRICTIONS RELATING TO PRESENT SBA EMPLOYEES

§ 105.501 Involvement in matters in which Government has substantial interest.

(a) No employee, otherwise than in the proper discharge of his official duties, shall act as agent, attorney or in any other representative capacity before a Department, regardless of whether compensation is received, in connection with any matter in which the United States is a party or has a direct and substantial interest. This provision shall be applicable to a Special Government Employee only to the extent set forth in paragraph (c) of this section.

(b) No employee, or person acting on behalf of said employee, otherwise than in the proper discharge of the employee's official duties, shall receive, agree to receive or solicit compensation for services rendered or to be rendered, in connection with any matter in which the United States is a party or has a direct and substantial interest. This provision shall be applicable to a Special Government Employee only to the extent set forth in paragraph (c) of this section.

(c) No employee shall participate in any particular matter in which, to his knowledge, he has a financial interest, if any of the following persons has a financial interest in the matter and participation in the matter would be prohibited by law: the employee, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has an arrangement concerning prospective employment. Financial interest means ownership of more than a de minimis amount of stock, bonds, partnership interest or other financial interest in the matter. Participation may be permitted where the financial interest is disclosed to the Standards of Conduct Committee and a written determination made that participation is not contrary to law.

(d) Notwithstanding paragraphs (a), (b) and (c) of this section an employee:

(1) May act, with or without compensation, as agent or attorney for his parents, spouse, child or any person for whom, or any estate for which, he is serving as guardian, executor, administrator, trustee or other personal fiduciary, except in those matters in which he has participated personally and substantially or which were under his official responsibility as an employee. In order to determine the possibility of any conflict of interest and the appearances of the arrangement, this function must first be reviewed and approved by the Standards of Conduct Committee.

(2) If not inconsistent with the faithful and full performance of his duties, as determined by his supervisor, may act without compensation as agent or attorney for any individual who is the subject of disciplinary, loyalty or other personnel proceedings in connection with those proceedings.

(e) There are statutory provisions which are relevant to the restrictions upon representative functions of a Government employee not performed as part of his official duties. Some of these statutory provisions are:

(1) 18 USC 203.

(2) 18 USC 205.

§ 105.502 Compensation relating to official duties from nongovernment services.

(a) No employee shall receive any salary, contribution to or supplementation of salary, as compensation for his services to SBA as an employee from any source other than the Government, except as may be authorized by law.

(b) No employee shall receive, agree to receive, request or solicit anything of value for himself or for any other person in return for committing, or aid in committing, or to colluding in, or allowing, any fraud, or making the opportunity for the commission of any fraud, on the United States or for being induced to do or omit to do any act in violation of his official duty.

(c) No employee shall receive, agree to receive, request or solicit anything of value for himself or any other person, otherwise than as provided by law in the proper discharge of his official duties, to support or influence decisions for the hiring of any person as an employee of SBA or any other Department.

(d) Nothing in this section precludes an employee from accepting travel or subsistence expenses from persons other than the Government in connection with

(e) There are statutory provisions which are relevant to the obligation of and restrictions upon compensation to employees from nongovernment sources. Some of these provisions are:

(1) 18 USC 209.

(2) 18 USC 201.

(3) 18 USC 211.

(4) Decision of the Comptroller General; March 7, 1967; B–128527.

§ 105.503 Gratuities from persons dealing with SBA.

(a) Except as otherwise permitted in this section, no employee or member of his household shall receive, agree to receive, request or solicit, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who:

(1) Has, or is seeking to obtain, any SBA Assistance.

(2) Is a financial institution which participates with SBA in any of its lending or other programs or is an officer, director, agent, representative or significant equity owner of such an institution.

(3) Conducts operations or activities regulated by SBA.

(4) Has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.

(b) The prohibitions of paragraph (a) of this section shall not apply to:

(1) Gifts, entertainment and favors of a relatively nominal value when the circumstances make it clear that it is wholly a personal relationship rather than the business of the persons concerned which are the motivating factors.

(2) The acceptance of food and refreshments of a nominal value on infrequent occasions when reasonably related to the performance of the employee's official duties. Acceptance of such food or refreshments on a regular or routine basis is prohibited.

(3) The acceptance of loans from banks and other financial institutions on customary terms to finance usual activities of employees, such as home mortgage loans;

(4) The acceptance of unsolicited advertising or promotional material, such as pens, pencils, calendars and other items of nominal value.

(c) Generally, an employee may not accept travel or subsistence expenses from a private person while traveling on official business under SBA orders. Payment for such expenses normally is made by SBA in accordance with applicable laws and regulations relating to official travel. Employees faced with questions relating to this rule or exceptions thereto should consult the appropriate SBA Standards of Conduct Counselor.

§ 105.504 Other gifts and gratuities.

(a) No employee shall:

(1) Solicit a contribution from another employee for a gift to an official superior.

nominal amount made on a special occasion, such as marriage, illness, separation or retirement.

(c) No employee shall accept a gift, decoration or other thing from a foreign government except as authorized by statute.

(d) There are statutory provisions relevant to the question of gifts to and from employees. Some of these provisions are:

(1) 5 USC 7342.

(2) 5 USC 7351.

§ 105.505 Situations creating a conflict of interest or the appearance thereof.

(a) No employee shall engage in any action, whether or not specifically prohibited, which might result in or create the appearance of:

(1) Using public office to obtain or coerce personal gain for himself or any other person.

(2) Giving preferential treatment to any person.

(3) Impeding Government efficiency or economy.

(4) Losing independence or impartiality.

(5) Making a Government decision outside official channels.

(6) Adversely affecting the confidence of the public in the integrity of the Government.

§ 105.506 Personal interests in firms or matters having SBA involvement.

(a) Except as otherwise provided in paragraph (e) of this section, no employee or member of his household shall purchase, or direct the purchase of, directly or indirectly, any interest in the persons specified in paragraph (c) of this section.

(b) (1) Except as otherwise provided in paragraph (e) of this section, without the approval of the Standards of Conduct Committee, no employee or member of his housesold shall own or otherwise hold directly or indirectly, whether acquired prior to or during the period of his SBA employment, any interest in the persons specified in paragraph (c) of this section;

(2) Application for approval under this subsection shall be submitted to the Standards of Conduct Committee no later than 60 calendar days after entering upon SBA employment where the employee's interest in the concern arose prior to his SBA employment. Where the interest of the employee arose during the period of his SBA employment, application shall be made no later than 60 calendar days after the acquisition of such interest.

(c) Proscribed persons for the purposes of paragraphs (a) and (b) of this section:

(1) A small business investment company licensed by SBA;

(2) A person for which a small business investment company license application is pending before SBA;

(3) A person which has received SBA Assistance within the preceding 2 years;

(4) A person which presently has outstanding any contract with SBA;

(5) A person which is a contractor, subcontractor, supplier, or subsupplier of goods or services to SBA;

(6) A person which is a participant in any SBA program;

(7) A person which is a lessor to SBA;

(8) A person which is a lessee of property from SBA;

(9) A person which is a surety on any bond required by SBA;

(10) A person which is a broker, agent, or representative of any person described in subparagraphs (1) through (9) of this paragraph.

(d) In addition to the persons proscribed by paragraph (c) of this section, the Standards of Conduct Committee may proscribe any person which is a party to a case pending before the Office of Hearings and Appeals.

(e) In determining whether to grant approval under paragraph (b) of this section, the Standards of Conduct Committee will consider all relevant factors, including:

(1) The relationship between the official SBA function of the employee and the SBA Assistance, decision or other matter in question;

(2) The significance of the employee's or other person's interest in the concern relative to his other assets and/or interests:

(3) The significance of the employee's or other person's interest in the concern relative to the other equity and/or interests in the concern;

(4) Whether the employee's or other person's interest in the concern is substantial regardless of its significance relative to his other assets and/or interests or to the other assets and/or interests of the concern.

(e) Notwithstanding other provisions herein, an employee or member of his household may purchase, direct the purchase of, own or otherwise hold, directly or indirectly, any interest in a person which owns stock or has other interests in a small business investment company licensed by SBA when:

(1) Such employee or member of his household does not participate in the management of or in the selection of investments for or by such person; and

(2) Such employee and/or member of his household does not own 1 percent or more of the equity of, or other interest in, such person; and

(3) The person has not invested more than 10 percent of its assets in small business investment companies licensed by SBA.

(f) (1) Without the prior written approval of the Standards of Conduct Committee, no employee shall participate as an SBA employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise in any claim, determination or other matter in which he, a member of his household, a partner, an organization in which he has an ownership, employment or other interest or any person with whom he has an arrangement or is arranging for prospective employment, has an interest.

(2) In reviewing applications for approval under this provision, the Standards of Conduct Committee will include as guidelines the criteria set forth in paragraph (d) of this section.

(3) In addition to the foregoing, where the interest of the employee is a financial interest, he shall not participate in the matter in question without also obtaining an advance written determination from the Administrator that such financial interest is not so substantial that it is likely to affect the integrity of the services which the Government may expect from such employee.

(4) There are statutory provisions relevant to the question of employee participation in official matters in which he has an interest. These include 18 USC

or create the appearance of, a conflict of interest;

(2) Whether the outside activity would tend to impair an employee's mental or physical capacity to perform his Government duties and responsibilities in an acceptable manner;

(3) Whether the outside activity will occur during the employee's duty hours;

(4) Whether, in the course of his outside activity, the employee might have occasion to discuss the business or affairs of any SBA applicant for or recipient of assistance;

(5) Whether the employee's name and/or his position with SBA will be used in any advertisement, promotion or letterhead in connection with the outside activity;

(6) Whether the outside activity could create the appearance of a conflict of interest or otherwise adversely affect the confidence of the public in the integrity of the Government;

(7) Whether the outside activity is otherwise not compatible with the full and proper discharge of the duties and responsibilities of his Government employment.

(c) Unless otherwise limited by law or this regulation, employees are encouraged to engage in outside teaching, lecturing and writing. Such outside activity, however, shall not be approved if it is dependent on disclosure of information obtained as a result of the employee's Government employment, unless:

(1) The information has been made available to the general public or will be made available upon request; or

(2) The Administrator of SBA makes a written determination that the use of nonpublic information is in the public interest.

(d) (1) No employee shall engage in any outside employment or activity with a state or local government except in accordance with Chapter 734 of the Federal Personnel Manual, and with the written approval of the Standards of Conduct Committee. The guidelines used by the Committee in considering such requests are set forth in paragraph (b) of this section.

(2) This subsection does not preclude an employee from:

(i) Participation in political activities not otherwise proscribed by law. Employees should, however, be aware of the limitations upon such activities set forth in Subchapter III of Chapter 73 of Title 5, United States Code and § 105.512 of these regulations.

(ii) Participation in the affairs of, including the acceptance of a public service award from, a charitable, professional, social, civic or similar organization.

§ 105.511 Statements of employment and financial interests.

(a) These statements shall be submitted by:

(1) All employees paid at Executive Levels IV and V of the Executive Schedule or comparable pay levels;

(2) All employees in positions which involve the exercise of significant discretion in granting of SBA Assistance as defined in § 105.201(i). These positions generally are those in which employees take final action on behalf of the Agency or make recommendations frequently adopted as final Agency action or take actions or make frequently adopted recommendations immediately leading to final Agency action regarding contracting, regulating or licensing small business investment companies, granting financial assistance, issuing certificates of competency or making size determinations. The determination of which positions fall within this category shall be made pursuant to paragraph (d) (1) of this section. These determinations will be reviewed by the appropriate Standards of Conduct Counselors.

(b) These statements shall:

(1) Include interests of members of an employee's household;

(2) Be submitted on the behalf of the employee by a trustee or other person where the required information is not known by the employee but is known by such trustee or other person;

(3) Contain the information required by Subchapter 4 and Appendix D of Part 735 of the Federal Personnel Manual. Agency forms may be obtained from the Office of Personnel or field administrative officers; and

(4) Include all financial and outside employment interests, except that information is not required relating to an employee's connections, as a member, with a charitable, professional, social, civic, political or similar nonbusiness enterprise. For the purposes of this provision, an educational or other organization, doing research and development or related work involving Government grants or contracts is deemed, to that extent, as a "business enterprise" and as such must be included in the employee's statement.

(c) Statements shall be submitted by an employee within 30 days after assuming a position subject to this section. In addition, an annual report is required as of June 30 of every year and shall be submitted no later than July 31 of every year. If no changes from the prior report occur, a negative report is required.

(d) (1) Determinations regarding who is required to submit a statement under paragraph (a) (4) of this section shall be made by the appropriate Associate Administrator, Assistant Administrator, Regional Director, the General Counsel, the Deputy Administrator and any other Office Director not subject to any of the foregoing office directors for those employees under their respective jurisdiction. The covered employees shall thereupon be notified by their respective office directors designated above. These determinations shall also be submitted by the office director to the appropriate SBA Standards of Conduct Counselor no later than June 30 of each year.

(2) Any employee who contends that he is improperly required to file a Statement of Employment and Financial Interests submitted:

(1) To the SBA Standards of Conduct Counselor with respect to Central Office employees;

(2) To the Regional Standards of Conduct Counselor with respect to employees within his region except that statements required from the Regional Standards of Conduct Counselor shall be submitted to the SBA Standards of Conduct Counselor.

(f) (1) The appropriate Standards of Conduct Counselor shall review the statements submitted to him to determine the existence of any possible conflicts or appearances of possible conflicts. Where such a conflict exists or appears to exist, the Counselor shall provide the employee an opportunity to explain.

(2) In the event the real or apparent conflict cannot be resolved by the Standards of Conduct Counselor, the matter shall be submitted to the Standards of Conduct Committee. The Committee shall investigate and analyze the problem and then report the matter, together with its recommendations to the Administrator.

(3) If the Administrator determines that the employee has an interest conflicting with his official duties, he may direct remedial action which may include, but is not limited to:

(i) Changes in assigned duties;

(ii) Divestment by the employee of his conflicting interests;

(iii) Disqualification for particular assignments;

(iv) Disciplinary action.

(g) Each Statement of Employment and Financial Interests shall be held in confidence by the recipient and no information may be disclosed except as the Civil Service Commission or the Administrator may determine for good cause shown.

(h) (1) The statements required herein are not a substitute for, or in derogation of, any similar requirement imposed by law, order or regulation.

(2) The filing of a statement herein in no way permits an employee or any other person to participate in any matter, make or hold any investment or engage in any activity prohibited or restricted by law, order or regulation.

(3) Notwithstanding the filing of a statement herein, every employee at all times shall avoid acquiring a financial interest or taking any action that could result in a conflict or otherwise in a violation of this regulation or any other law, order or regulation.

§ 105.512 Political activity of employees.

(a) No employee shall use his official authority to coerce or influence the political action of any person.

(b) No employee shall use his official authority or influence for the purpose of interfering with or affecting the result of an election or the nomination of a candidate for an election.

(c) No employee, except the Administrator, shall take an active part in political management or political campaigns. All employees may exercise their right to vote as they choose and may express their opinions on political subjects and candidates.

(d) For the purpose of this section, the term "employee" does not include an employee who occupies a position which is nonpolitical as determined by the Civil Service Commission under the provisions of the Hatch Act (5 USC 1501-1508) or any employee who is not employed or holding office in connection with any activity financed in whole or in part by loans or grants made by the United States or a Federal agency.

(e) Violations of this section will be referred to the Civil Service Commission for investigation and action.

(f) Employees are referred to 18 USC 602, 603, 607, and 608 for other restrictions on political activity.

§ 105.513 Striking against Government.

(a) No employee shall strike against the Government.

(b) There are statutory provisions concerning strikes against the Government. They include:

(1) 18 USC 1918.

(2) 5 USC 7311.

§ 105.514 Disclosure of official information.

(a) No employee shall disclose any official information not authorized by law relating to trade secrets, processes, operations, statistical or income data or other confidential information of any person or firm.

(b) No employee shall disclose any unauthorized information concerning any SBA plan or action which will or might affect the value of securities.

(c) No employee shall utilize unauthorized or "inside" information to invest or speculate directly or indirectly, or otherwise to advance his or another's private interests. For the purposes of this section, "inside information" means information obtained under Government authority which has not become part of the body of public information.

(d) There are statutory provisions concerning the disclosure of official information. These include:

(1) 50 USC 783.

(2) 18 USC 1905.

(3) 15 USC 645(b).

§ 105.515 Duty to report irregularities.

(a) Every employee shall immediately report to the Director, Office of Personnel and the Director, Office of Security and Investigations any acts of malfeasance or misfeasance or other irregularities, either actual or suspected, arising in connection with the performance by SBA of any of its official functions.

§ 105.516 Applicable rules and directions.

(a) Every employee shall follow all agency rules, regulations, operating procedures, instructions and other proper directions in the performance of his official functions.

§ 105.517 Gambling.

(a) No employee, while on official duty or on Government owned or leased property, shall participate in or operate any gambling activity.

(b) This prohibition shall not apply to activities conducted by employee welfare or similar organizations if prior written approval therefor is obtained from the Director of Personnel.

§ 105.518 Payment of financial obligations.

(a) Each employee shall pay his just financial obligations in a proper and timely manner. This is especially important in the case of Federal, State and local taxes.

(b) For the purposes of this provision, "in a proper and timely manner" means a manner which does not reflect adversely upon SBA, the Government or the employee in his official capacity.

§ 105.519 Recommendations of private person.

(a) No employee shall recommend or suggest the use of any nongovernmental person to provide any service as agent, attorney or otherwise in connection with negotiations with or other involvement with SBA or any other Government department.

RESTRICTIONS RELATING TO OFFICERS OR EMPLOYEES OF OTHER GOVERNMENT OR QUASI-GOVERNMENT ORGANIZATIONS

§ 105.601 Assistance to officers or employees of other Government organizations.

(a) No SBA Assistance, other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an employee of another Government department having a grade of GS-13 or its equivalent or higher in the case of civilian employees, or the rank of major or lieutenant commander or its equivalent or higher in the case of military personnel, without a prior written statement of no objection by the pertinent department or military service.

(b) (1) Without the approval of the Standards of Conduct Committee, no SBA assistance, other than disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person:

(i) When its officer, director or stockholder with a 10 percent or more interest, or a member of his household, is a member of Congress;

(ii) When its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an appointed official or employee of the legislative or judicial branch of the Government.

(2) There are statutory provisions relevant to the question of assistance to officials of the United States Government. These include:

(i) 18 USC 431.

(ii) 18 USC 433.

(iii) 41 USC 22.

§ 105.602 Assistance to employees or members of quasi-Government organizations.

(a) Without the prior written approval of the Standards of Conduct Committee, no SBA Assistance other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is a member or employee

result in or create the appearance of giving preferential treatment, the loss of complete independence or impartiality or adversely affecting the confidence of the public in the integrity of the Government.

§ 105.701 Penalties.

Any employee guilty of violating any of the provisions in this regulation may be subject to disciplinary action, including dismissal or suspension from SBA employment, in addition to other penalties provided by law.

§ 105.801 Standards of Conduct Committee.

(a) The Standards of Conduct Committee shall:

(1) Advise and give direction in the administration of this regulation and any other rules, regulations or directives dealing with conflicts of interest and ethical standards of SBA employees;

(2) Make decisions on specific requests for guidance from the Director of Personnel and from others in connection with matters relating to standards of conduct;

(b) The Standards of Conduct Committee shall be comprised of:

(1) The General Counsel or, in his absence, the Deputy General Counsel, who shall act as Chairman of the Committee;

(2) The Assistant Administrator for Administration or, in his absence, the Director of Budget and Finance;

(3) The Associate Administrator for Operations or, in his absence, the Deputy Associate Administrator for Operations.

§ 105.802 Standards of Conduct Counselors.

(a) The SBA Standards of Conduct Counselor shall be the Associate General Counsel for Interagency Affairs. He shall be assisted by a Regional Standards of Conduct Counselor for each SBA Region. The Regional Counsel shall be the Regional Standards of Conduct Counselor for each Region.

(b) The SBA Standards of Conduct Counselors or their delegatees shall:

(1) Provide general advice, assistance and guidance to employees concerning these Regulations;

(2) In coordination with the Director of Personnel and his delegatees, monitor the Standards of Conduct Program within their respective areas and provide required reports thereon; and

(3) Review Statements of Employment and Financial Interests as required under Section 105.511 herein. Each Regional Standards of Conduct Counselor shall provide an annual report on filing requirements and compliance therewith within his Region to the Associate General Counsel for Interagency Affairs as of September 1 of each year.

(c) Each employee shall be periodically informed by the director of his office of the name, address and telephone number of the Standards of Conduct Counselor whom he may contact for advice and assistance.

(d) Where a specific ruling is requested by or required from an employee regarding a particular situation or set of facts, the request should be directed through the Standards of Conduct Counselor to the Standards of Conduct Committee.

§ 105.901 Statutory and other regulatory provisions.

The attention of all employees is also directed to the following statutory and other legal provisions:

(a) House Concurrent Resolution 175, 85th Congress 2nd Session, 72 Stat. B12, the "Code of Ethics for Government Service."

(b) Chapter 11 of Title 18, United States Code, relating to bribery, graft, and conflicts of interest.

(c) The prohibition against lobbying with appropriated funds (18 USC 1913).

(d) The prohibition against disloyalty and striking (5 USC 7311, 18 USC 1918).

(e) The prohibition against the employment of a member of a Communist organization (50 USC 784).

(f) The prohibitions contained in the Freedom of Information Act against failing to disclose information disclosure of which is required by that Act (5 USC 552(a)(4)(F)).

(g) The prohibitions against: (1) The disclosure of classified information (18 USC 798, 50 USC 783); (2) the disclosure of confidential information (18 USC 1905); and (3) disclosure of information which is restricted by the Privacy Act (5 USC 552a(i)(1)).

(h) The provision relating to the habitual use of intoxicants to excess (5 USC 7352).

(i) The prohibition against the misuse of a Government vehicle (31 USC 638a (c)).

(j) The prohibition against the misuse of the franking privilege (18 USC 1719).

(k) The prohibition against the use of deceit in an examination or personnel action in connection with Government employment (18 USC 1917).

(l) The prohibition against fraud or false statements in a Government matter (18 USC 1001).

(m) The prohibition against mutilating or destroying a public record (18 USC 2071).

(n) The prohibition against counterfeiting and foregoing transportation requests (18 USC 508).

(o) The prohibitions against: (1) Embezzlement of Government money or property (18 USC 641); (2) failing to account for public money (18 USC 643); and (3) embezzlement of the money or property of another person in the possession of an employee by reason of his employment (18 USC 654).

(p) The prohibitions against political activities in Subchapter III of Chapter 73 of Title 5, United States Code and 18 USC 602, 607, and 608.

(q) The prohibitions against: (1) Embezzling or misapplying funds and securities, (2) making false reports with intent to defraud, (3) receiving money or profit fraudulently through act of SBA and (4) making profit out of information about value of securities of companies receiving assistance (15 USC 645).

This Part 105 was approved by the Civil Service Commission on June 11, 1976.

Dated: July 12, 1976.

Effective Date. This Part 105 shall become effective on July 19, 1976.

MITCHELL P. KOBELINSKI,
Administrator.

[FR Doc.76-20744 Filed 7-16-76;8:45 am]

PART 105
SBA RULES AND REGULATIONS

FILING INSTRUCTIONS: Insert the attached pages 5&6 into Part 105. Remove and destroy old pages 5&6. File this page immediately following Part 105. The table of contents issued November 25, 1976, to be inserted between pages 2&3 of Part 105, was inadvertently published as Amendment 1. It should have been published as a correction. Please line through Amendment 1 on the Table of Contents and write "correction" at the top of the page.

This amendment amends section 105.515 - Duty to report irregularities by requiring that reports of irregularities be made only to the Director, Security and Investigations Division. Reports will no longer be made to Director, Office of Personnel.

Title 13—Business Credit and Assistance

CHAPTER I—SMALL BUSINESS ADMINISTRATION

[Revision 2, Amdt. 1]

PART 105—STANDARDS OF CONDUCT

Reporting of Acts of Malfeasance, Misfeasance and Other Irregularities

AGENCY: Small Business Administration.

ACTION: Final rule.

SUMMARY: (i) The Agency is amending SBA's Standards of Conduct Regulations to provide that all acts of malfeasance or misfeasance or other irregularities, either actual or suspected, arising in connection with the performance by SBA of any of its official functions will be reported only to the Director, Security and Investigations Division.

(ii) This action arose as a result of the need to centralize the reporting of suspected irregularities which primarily fall within the purview of the Security and Investigations Division.

(iii) The effect of said action will be that all acts of malfeasance or misfeasance or other irregularities, either actual or suspected, arising in connection with the performance by SBA of any of its official functions will be reported only to the Security and Investigations Division rather than to the Director, Office of Personnel and the Director, Security and Investigations Division.

EFFECTIVE DATE: January 23, 1978.

FOR FURTHER INFORMATION CONTACT:

Donald W. Farrell, Associate General Counsel, 1441 L Street NW., Washington, D.C. 20461, 202-653-6660.

SUPPLEMENTARY INFORMATION: Inasmuch as the amendment set forth below is a procedural change, notice of proposed rulemaking and public proceedings thereon are not required by section 553 of Title 5 of the United States Code. This amendment to Part 105 was approved by the Civil Service Commission on January 9, 1978.

Accordingly, pursuant to the authority contained in section 5 of the Small Business Act, 72 Stat. 384 (15 USC 631 et seq.) and E.O. 11222, 3 CFR 1964-65, Comp.; 5 CFR 735.104 notice is hereby given that the Small Business Administration amends § 105.515 to read as follows:

(See page 5 for amendment)

Dated: January 17, 1978.

A. VERNON WEAVER,
Administrator.

[FR Doc. 78-1920 Filed 1-20-78; 8:45 am]

Published: Jan. 23, 1978
Effective: Jan. 23, 1978

submitted:

(1) To the SBA Standards of Conduct Counselor with respect to Central Office employees;

(2) To the Regional Standards of Conduct Counselor with respect to employees within his region except that statements required from the Regional Standards of Conduct Counselor shall be submitted to the SBA Standards of Conduct Counselor.

(f) (1) The appropriate Standards of Conduct Counselor shall review the statements submitted to him to determine the existence of any possible conflicts or appearances of possible conflicts. Where such a conflict exists or appears to exist, the Counselor shall provide the employee an opportunity to explain.

(2) In the event the real or apparent conflict cannot be resolved by the Standards of Conduct Counselor, the matter shall be submitted to the Standards of Conduct Committee. The Committee shall investigate and analyze the problem and then report the matter, together with its recommendations to the Administrator.

(3) If the Administrator determines that the employee has an interest conflicting with his official duties, he may direct remedial action which may include, but is not limited to:

(i) Changes in assigned duties;

(ii) Divestment by the employee of his conflicting interests;

(iii) Disqualification for particular assignments;

(iv) Disciplinary action.

(g) Each Statement of Employment and Financial Interests shall be held in confidence by the recipient and no information may be disclosed except as the Civil Service Commission or the Administrator may determine for good cause shown.

(h) (1) The statements required herein are not a substitute for, or in derogation of, any similar requirement imposed by law, order or regulation.

(2) The filing of a statement herein in no way permits an employee or any other person to participate in any matter, make or hold any investment or engage in any activity prohibited or restricted by law, order or regulation.

(3) Notwithstanding the filing of a statement herein, every employee at all times shall avoid acquiring a financial interest or taking any action that could result in a conflict or otherwise in a violation of this regulation or any other law, order or regulation.

§ 105.512 Political activity of employees.

(a) No employee shall use his official authority to coerce or influence the political action of any person.

(b) No employee shall use his official authority or influence for the purpose of interfering with or affecting the result of an election or the nomination of a candidate for an election.

(c) No employee, except the Administrator, shall take an active part in political management or political campaigns within the meaning of 5 USC 7324 and 5 CFR Part 733.

(d) There are statutory provisions concerning political activity of employees. These include:

(1) Title 5, Subchapter III, Chapter 73, United States Code.

(2) 18 USC 595.

§ 105.513 Striking against Government.

(a) No employee shall strike against the Government.

(b) There are statutory provisions concerning strikes against the Government. They include:

(1) 18 USC 1918.

(2) 5 USC 7311.

§ 105.514 Disclosure of official information.

(a) No employee shall disclose any official information not authorized by law relating to trade secrets, processes, operations, statistical or income data or other confidential information of any person or firm.

(b) No employee shall disclose any unauthorized information concerning any SBA plan or action which will or might affect the value of securities.

(c) No employee shall utilize unauthorized or "inside" information to invest or speculate directly or indirectly, or otherwise to advance his or another's private interests. For the purposes of this section, "inside information" means information obtained under Government authority which has not become part of the body of public information.

(d) There are statutory provisions concerning the disclosure of official information. These include:

(1) 50 USC 783.

(2) 18 USC 1905.

(3) 15 USC 645(b).

§ 105.515 Duty to report irregularities.

(a) Every employee shall immediately report to the Director, Security and Investigations Division any acts of malfeasance or misfeasance or other irregularities, either actual or suspected, arising in connection with the performance by SBA of any of its official functions.

(Rev. 2, Amdt. 1, 43 FR 3078, Jan. 23, 1978)

§ 105.516 Applicable rules and directions.

(a) Every employee shall follow all agency rules, regulations, operating procedures, instructions and other proper directions in the performance of his official functions.

§ 105.517 Gambling.

(a) No employee, while on official duty or on Government owned or leased property, shall participate in or operate any gambling activity.

(b) This prohibition shall not apply to activities conducted by employee welfare or similar organizations if prior written approval therefor is obtained from the Director of Personnel.

§ 105.518 Payment of financial obligations.

(a) Each employee shall pay his just financial obligations in a proper and timely manner. This is especially important in the case of Federal, State and local taxes.

(b) For the purposes of this provision, "just financial obligations" means those acknowledged by the employee, reduced to judgment by a court or imposed by law such as Federal, State or local taxes. In the event of a dispute, SBA will not determine the validity or amount of a debt.

(c) For the purposes of this provision, "in a proper and timely manner" means a manner which does not reflect adversely upon SBA, the Government or the employee in his official capacity.

§ 105.519 Recommendations of private person.

(a) No employee shall recommend or suggest the use of any nongovernmental person to provide any service as agent, attorney or otherwise in connection with negotiations with or other involvement with SBA or any other Government department.

RESTRICTIONS RELATING TO OFFICERS OR EMPLOYEES OF OTHER GOVERNMENT OR QUASI-GOVERNMENT ORGANIZATIONS

§ 105.601 Assistance to officers or employees of other Government organizations.

(a) No SBA Assistance, other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an employee of another Government department having a grade of GS-13 or its equivalent or higher in the case of civilian employees, or the rank of major or lieutenant commander or its equivalent or higher in the case of military personnel, without a prior written statement of no objection by the pertinent department or military service.

(b) (1) Without the approval of the Standards of Conduct Committee, no SBA assistance, other than disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person:

(i) When its officer, director or stockholder with a 10 percent or more interest, or a member of his household, is a member of Congress;

(ii) When its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an appointed official or employee of the legislative or judicial branch of the Government.

(2) There are statutory provisions relevant to the question of assistance to officials of the United States Government. These include:

(i) 18 USC 431.

(ii) 18 USC 433.

(iii) 41 USC 22.

§ 105.602 Assistance to employees or members of quasi-Government organizations.

(a) Without the prior written approval of the Standards of Conduct Committee, no SBA Assistance other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is a member or employee of a Small Business Advisory Council or is a SCORE or ACE volunteer.

(b) In reviewing applications for approval under this provision, the Standards of Conduct Committee may consider, among other factors, the possibilities that the granting of the assistance might

result in or create the appearance of giving preferential treatment, the loss of complete independence or impartiality or adversely affecting the confidence of the public in the integrity of the Government.

§ 105.701 Penalties.

Any employee guilty of violating any of the provisions in this regulation may be subject to disciplinary action, including dismissal or suspension from SBA employment, in addition to other penalties provided by law.

§ 105.801 Standards of Conduct Committee.

(a) The Standards of Conduct Committee shall:

(1) Advise and give direction in the administration of this regulation and any other rules, regulations or directives dealing with conflicts of interest and ethical standards of SBA employees;

(2) Make decisions on specific requests for guidance from the Director of Personnel and from others in connection with matters relating to standards of conduct;

(b) The Standards of Conduct Committee shall be comprised of:

(1) The General Counsel or, in his absence, the Deputy General Counsel, who shall act as Chairman of the Committee;

(2) The Assistant Administrator for Administration or, in his absence, the Director of Budget and Finance;

(3) The Associate Administrator for Operations or, in his absence, the Deputy Associate Administrator for Operations.

§ 105.802 Standards of Conduct Counselors.

(a) The SBA Standards of Conduct Counselor shall be the Associate General Counsel for Interagency Affairs. He shall be assisted by a Regional Standards of Conduct Counselor for each SBA Region. The Regional Counsel shall be the Regional Standards of Conduct Counselor for each Region.

(b) The SBA Standards of Conduct Counselors or their delegatees shall:

(1) Provide general advice, assistance and guidance to employees concerning these Regulations;

(2) In coordination with the Director of Personnel and his delegatees, monitor the Standards of Conduct Program within their respective areas and provide required reports thereon; and

(3) Review Statements of Employment and Financial Interests as required under Section 105.511 herein. Each Regional Standards of Conduct Counselor shall provide an annual report on filing requirements and compliance therewith within his Region to the Associate General Counsel for Interagency Affairs as of September 1 of each year.

(c) Each employee shall be periodically informed by the director of his office of the name, address and telephone number of the Standards of Conduct Counselor whom he may contact for advice and assistance.

(d) Where a specific ruling is requested by or required from an employee regarding a particular situation or set of facts, the request should be directed through the Standards of Conduct Counselor to the Standards of Conduct Committee.

§ 105.901 Statutory and other regulatory provisions.

The attention of all employees is also directed to the following statutory and other legal provisions:

(a) House Concurrent Resolution 175, 85th Congress 2nd Session, 72 Stat. B12, the "Code of Ethics for Government Service."

(b) Chapter 11 of Title 18, United States Code, relating to bribery, graft, and conflicts of interest.

(c) The prohibition against lobbying with appropriated funds (18 USC 1913).

(d) The prohibition against disloyalty and striking (5 USC 7311, 18 USC 1918).

(e) The prohibition against the employment of a member of a Communist organization (50 USC 784).

(f) The prohibitions contained in the Freedom of Information Act against failing to disclose information disclosure of which is required by that Act (5 USC 552(a)(4)(F)).

(g) The prohibitions against: (1) The disclosure of classified information (18 USC 798, 50 USC 783); (2) the disclosure of confidential information (18 USC 1905); and (3) disclosure of information which is restricted by the Privacy Act (5 USC 552a(i)(1)).

(h) The provision relating to the habitual use of intoxicants to excess (5 USC 7352).

(i) The prohibition against the misuse of a Government vehicle (31 USC 638a (c)).

(j) The prohibition against the misuse of the franking privilege (18 USC 1719).

(k) The prohibition against the use of deceit in an examination or personnel action in connection with Government employment (18 USC 1917).

(l) The prohibition against fraud or false statements in a Government matter (18 USC 1001).

(m) The prohibition against mutilating or destroying a public record (18 USC 2071).

(n) The prohibition against counterfeiting and foregoing transportation requests (18 USC 508).

(o) The prohibitions against: (1) Embezzlement of Government money or property (18 USC 641); (2) failing to account for public money (18 USC 643); and (3) embezzlement of the money or property of another person in the possession of an employee by reason of his employment (18 USC 654).

(p) The prohibitions against political activities in Subchapter III of Chapter 73 of Title 5, United States Code and 18 USC 602, 607, and 608.

(q) The prohibitions against: (1) Embezzling or misapplying funds and securities, (2) making false reports with intent to defraud, (3) receiving money or profit fraudulently through act of SBA and (4) making profit out of information about value of securities of companies receiving assistance (15 USC 645).

This Part 105 was approved by the Civil Service Commission on June 11, 1976.

Dated: July 12, 1976.

Effective Date. This Part 105 shall become effective on July 19, 1976.

MITCHELL P. KOBELINSKI,
Administrator.

[FR Doc.76-20744 Filed 7-16-76;8:45 am]

GPO 908-425

PART 105 - Standards of Conduct
SBA RULES AND REGULATIONS

FILING INSTRUCTIONS: Insert the attached pages 3 through 6 in Part 105. Remove and destroy old pages. File this page following Amendment 1 to Part 105.

This amendment changes position titles to reflect reorganization within SBA.

SMALL BUSINESS ADMINISTRATION

13 CFR Part 105

Standards of Conduct; Outside Employment and Activities

AGENCY: Small Business Administration.
ACTION: Final rule.

SUMMARY: (i) The Agency is amending §§ 105.510(a) and (b) and 105.801(b) (1), (2) and (3) of SBA's Standards of Conduct Regulations to: (1) provide for the approval of the Assistant Administrator for Personnel Management in lieu of the Director of Personnel in cases involving outside business, employment or vocation, and (2) to provide for the new composition of the Standards of Conduct Committee.

(ii) This action arises as the result of reorganization within the Small Business Administration.

(iii) The effect of said action with respect to § 105.510 (a) and (b) will be that the Assistant Administrator for Personnel Management will approve requests for employees engaged in any outside business, employment or vocation rather than the Director of Personnel as previously provided by § 105.510 of the Standards of Conduct Regulations.

The effect of the revision of § 105.801(b) will be that the Standards of Conduct Committee will be comprised of the: (1) General Counsel or, in his absence, the Deputy General Counsel or, in his absence, the Acting General Counsel who shall act as Chairman of the Committee; (2) the Associate Deputy Administrator for Support Services or, in his absence, the Assistant Administrator for Personnel Management; and (3) the Associate Deputy Administrator for Programs or, in his absence, the Director, Office of Field Management.

EFFECTIVE DATE: May 9, 1979.

FOR FURTHER INFORMATION CONTACT: Robert M. Peterson, Office of General Counsel, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416 (202) 653-6477.

SUPPLEMENTARY INFORMATION: Inasmuch as the amendment set forth below is a procedural change, notice of proposed rulemaking and public proceedings thereon are not required by section 553 of Title 5 of the United States Code.

Accordingly, pursuant to the authority contained in Section 5 of the Small Business Act, 72 Stat. 384 (15 U.S.C. 631 *et seq.*) and E.O. 11222, 3 CFR 1964-65, Comp.; 5 CFR 735.104 notice is hereby given that the Small Business Administration amends Sections 105.510 (a) and (b) and 105.801(b) (1), (2) and (3) to read as follows:

(SEE PAGES 4 AND 6 FOR AMENDMENTS.)

Dated: May 1, 1979.

A. Vernon Weaver,
Administrator.

[Revision 2, Amendment 2]
[FR Doc. 79-14538 Filed 5-8-79; 8:45 am]
BILLING CODE 8025-01-M

Published: May 9, 1979
Effective: May 9, 1979
Cite: 44 FR 27072

(e) There are statutory provisions which are relevant to the obligation of and restrictions upon compensation to employees from nongovernment sources. Some of these provisions are:

(1) 18 USC 209.
(2) 18 USC 201.
(3) 18 USC 211.
(4) Decision of the Comptroller General; March 7, 1967; B-128527.

§ 105.503 Gratuities from persons dealing with SBA.

(a) Except as otherwise permitted in this section, no employee or member of his household shall receive, agree to receive, request or solicit, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who:

(1) Has, or is seeking to obtain, any SBA Assistance.

(2) Is a financial institution which participates with SBA in any of its lending or other programs or is an officer, director, agent, representative or significant equity owner of such an institution.

(3) Conducts operations or activities regulated by SBA.

(4) Has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.

(b) The prohibitions of paragraph (a) of this section shall not apply to:

(1) Gifts, entertainment and favors of a relatively nominal value when the circumstances make it clear that it is wholly a personal relationship rather than the business of the persons concerned which are the motivating factors.

(2) The acceptance of food and refreshments of a nominal value on infrequent occasions when reasonably related to the performance of the employee's official duties. Acceptance of such food or refreshments on a regular or routine basis is prohibited.

(3) The acceptance of loans from banks and other financial institutions on customary terms to finance usual activities of employees, such as home mortgage loans;

(4) The acceptance of unsolicited advertising or promotional material, such as pens, pencils, calendars and other items of nominal value.

(c) Generally, an employee may not accept travel or subsistence expenses from a private person while traveling on official business under SBA orders. Payment for such expenses normally is made by SBA in accordance with applicable laws and regulations relating to official travel. Employees faced with questions relating to this rule or exceptions thereto should consult the appropriate SBA Standards of Conduct Counselor.

§ 105.504 Other gifts and gratuities.

(a) No employee shall:

(1) Solicit a contribution from another employee for a gift to an official superior.

(2) Make a donation or gift to or for the benefit of an official superior.

(3) Receive a gift from an employee receiving less pay and having less rank than himself.

(b) The foregoing paragraph (a) of this section does not prohibit a voluntary gift of nominal value or donation in a nominal amount made on a special occasion, such as marriage, illness, separation or retirement.

(c) No employee shall accept a gift, decoration or other thing from a foreign government except as authorized by statute.

(d) There are statutory provisions relevant to the question of gifts to and from employees. Some of these provisions are:

(1) 5 USC 7342.
(2) 5 USC 7351.

§ 105.505 Situations creating a conflict of interest or the appearance thereof.

(a) No employee shall engage in any action, whether or not specifically prohibited, which might result in or create the appearance of:

(1) Using public office to obtain or coerce personal gain for himself or any other person.

(2) Giving preferential treatment to any person.

(3) Impeding Government efficiency or economy.

(4) Losing independence or impartiality.

(5) Making a Government decision outside official channels.

(6) Adversely affecting the confidence of the public in the integrity of the Government.

§ 105.506 Personal interests in firms or matters having SBA involvement.

(a) Except as otherwise provided in paragraph (e) of this section, no employee or member of his household shall purchase, or direct the purchase of, directly or indirectly, any interest in the persons specified in paragraph (c) of this section.

(b) (1) Except as otherwise provided in paragraph (e) of this section, without the approval of the Standards of Conduct Committee, no employee or member of his housesold shall own or otherwise hold directly or indirectly, whether acquired prior to or during the period of his SBA employment, any interest in the persons specified in paragraph (c) of this section:

(2) Application for approval under this subsection shall be submitted to the Standards of Conduct Committee no later than 60 calendar days after entering upon SBA employment where the employee's interest in the concern arose prior to his SBA employment. Where the interest of the employee arose during the period of his SBA employment, application shall be made no later than 60 calendar days after the acquisition of such interest.

(c) Proscribed persons for the purposes of paragraphs (a) and (b) of this section:

(1) A small business investment company licensed by SBA;

(2) A person for which a small business investment company license application is pending before SBA;

(3) A person which has received SBA Assistance within the preceding 2 years;

(4) A person which presently has outstanding SBA Assistance;

(5) A person which has pending an application for SBA Assistance;

(6) Institutions which participate with SBA in any of its financial assistance programs.

(d) In reviewing applications for approval under paragraphs (b), (f) and (g) of this section, the Standards of Conduct Committee will consider all relevant factors, including:

(1) The relationship between the official SBA function of the employee and the SBA Assistance, decision or other matter in question;

(2) The significance of the employee's or other person's interest in the concern relative to his other assets and/or interests;

(3) The significance of the employee's or other person's interest in the concern relative to the other equity and/or interests in the concern;

(4) Whether the employee's or other person's interest in the concern is substantial regardless of its significance relative to his other assets and/or interests or to the other assets and/or interests of the concern.

(e) Notwithstanding other provisions herein, an employee or member of his household may purchase, direct the purchase of, own or otherwise hold, directly or indirectly, any interest in a person which owns stock or has other interests in a small business investment company licensed by SBA when:

(1) Such employee or member of his household does not participate in the management of or in the selection of investments for or by such person; and

(2) Such employee and/or member of his household does not own 1 percent or more of the equity of, or other interest in, such person; and

(3) The person has not invested more than 10 percent of its assets in small business investment companies licensed by SBA.

(f) (1) Without the prior written approval of the Standards of Conduct Committee, no employee shall participate as an SBA employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise in any claim, determination or other matter in which he, a member of his household, a partner, an organization in which he has an ownership, employment or other interest or any person with whom he has an arrangement or is arranging for prospective employment, has an interest.

(2) In reviewing applications for approval under this provision, the Standards of Conduct Committee will include as guidelines the criteria set forth in paragraph (d) of this section.

(3) In addition to the foregoing, where the interest of the employee is a financial interest, he shall not participate in the matter in question without also obtaining an advance written determination from the Administrator that such financial interest is not so substantial that it is likely to affect the integrity of the services which the Government may expect from such employee.

(4) There are statutory provisions relevant to the question of employee participation in official matters in which he has an interest. These include 18 USC 208.

(g) (1) Without the prior written approval of the Standards of Conduct Committee, no SBA assistance, other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when the sole proprietor, partner, officer, director or significant stockholder

is an SBA employee or a member of his household.

(2) In reviewing applications for approval under this provision, the Standards of Conduct Committee will include the guidelines set forth in paragraph (d) of this section.

§ 105.507 Use of Government property and supplies.

(a) No employee shall use Government property or supplies of any kind except for officially approved activities. This prohibition includes the use of a Government vehicle and the use of official penalty mail.

(b) Every employee also has a positive responsibility to protect and conserve all Government property and supplies entrusted to him.

(c) There are statutory provisions relating to the use of Government property and supplies. These include:

(1) 31 USC 638(a) relates to the use of Government vehicles.

(2) 39 USC 3202, 3203 relates to the use of official penalty mail.

§ 105.508 Conversion of public and other property.

(a) No employee shall convert or attempt to convert to his own use money or property of another coming into his possession or public monies or property.

(b) There are statutory provisions concerning embezzlement and conversion. These include:

(1) 18 USC 643.

(2) 18 USC 654.

(3) 15 USC 645.

§ 105.509 Distortion of records; false statements.

(a) No employee shall:

(1) While acting as an SBA employee, make false records or accounts.

(2) Falsify any record, account, paper or other thing filed with or relating to Government or other public business.

(3) Remove, obliterate or destroy any record, account, paper or other thing filed with or relating to Government or other public business.

(4) While acting as an SBA employee, knowingly make any false statement to the detriment of the Government or another employee.

(5) Attempt to effect any of the foregoing.

(b) There are statutory provisions concerning the distortion of public records. These include:

(1) 18 USC 2071.

(2) 18 USC 2073.

(3) 15 USC 645(a).

§ 105.510 Outside employment and activities.

(a) Except with the written approval of the Assistant Administrator for Personnel Management, no employee shall engage in any outside business, employment or vocation. This limitation applies regardless of whether a fee, gift, salary or other compensation is received for the activity. In his discretion, the Assistant Administrator for Personnel Management may refer requests for approval to the Standards of Conduct Committee for its recommendations.

(b) In reviewing applications for approval under this section, the Assistant Administrator for Personnel Management and the Standards of Conduct Committee will consider all relevant factors, including:

(AMDT. 2, 44 FR 27072, MAY 9, 1979)

(1) Where there is a fee, gift or other compensation whether it might result in, or create the appearance of, a conflict of interest;

(2) Whether the outside activity would tend to impair an employee's mental or physical capacity to perform his Government duties and responsibilities in an acceptable manner;

(3) Whether the outside activity will occur during the employee's duty hours;

(4) Whether, in the course of his outside activity, the employee might have occasion to discuss the business or affairs of any SBA applicant for or recipient of assistance;

(5) Whether the employee's name and/or his position with SBA will be used in any advertisement, promotion or letterhead in connection with the outside activity;

(6) Whether the outside activity could create the appearance of a conflict of interest or otherwise adversely affect the confidence of the public in the integrity of the Government;

(7) Whether the outside activity is otherwise not compatible with the full and proper discharge of the duties and responsibilities of his Government employment.

(c) Unless otherwise limited by law or this regulation, employees are encouraged to engage in outside teaching, lecturing and writing. Such outside activity, however, shall not be approved if it is dependent on disclosure of information obtained as a result of the employee's Government employment, unless:

(1) The information has been made available to the general public or will be made available upon request; or

(2) The Administrator of SBA makes a written determination that the use of nonpublic information is in the public interest.

(d)(1) No employee shall engage in any outside employment or activity with a state or local government except in accordance with Chapter 734 of the Federal Personnel Manual, and with the written approval of the Standards of Conduct Committee. The guidelines used by the Committee in considering such requests are set forth in paragraph (b) of this section.

(2) This subsection does not preclude an employee from:

(i) Participation in political activities not otherwise proscribed by law. Employees should, however, be aware of the limitations upon such activities set forth in Subchapter III of Chapter 73 of Title 5, United States Code and § 105.512 of these regulations.

(ii) Participation in the affairs of, including the acceptance of a public service award from, a charitable, professional, social, civic or similar organization.

§ 105.511 Statements of employment and financial interests.

(a) These statements shall be submitted by:

(1) All employees paid at Executive Levels IV and V of the Executive Schedule in Subchapter II of Chapter 53 of Title 5, United States Code.

(2) All employees, Grades GS–18 and GS–17.

(3) All Regional Directors, District Directors, and Branch Managers.

(4) All other employees who are in positions of discretion involving the granting of SBA Assistance as defined in § 105.201(i). These positions generally are those in which employees take final action on behalf of the Agency or make recommendations frequently adopted as final Agency action or take actions or make frequently adopted recommendations immediately leading to final Agency action regarding contracting, regulating or licensing small business investment companies, granting financial assistance, issuing certificates of competency or making size determinations. The determination of which positions fall within this category shall be made pursuant to paragraph (d)(1) of this section. These determinations will be reviewed by the appropriate Standards of Conduct Counselors.

(b) These statements shall:

(1) Include interests of members of an employee's household;

(2) Be submitted on the behalf of the employee by a trustee or other person where the required information is not known by the employee but is known by such trustee or other person;

(3) Contain the information required by Subchapter 4 and Appendix D of Part 735 of the Federal Personnel Manual. Agency forms may be obtained from the Office of Personnel or field administrative officers; and

(4) Include all financial and outside employment interests, except that information is not required relating to an employee's connections, as a member, with a charitable, professional, social, civic, political or similar nonbusiness enterprise. For the purposes of this provision, an educational or other organization, doing research and development or related work involving Government grants or contracts is deemed, to that extent, as a "business enterprise" and as such must be included in the employee's statement.

(c) Statements shall be submitted by an employee within 30 days after assuming a position subject to this section. In addition, an annual report is required as of June 30 of every year and shall be submitted no later than July 31 of every year. If no changes from the prior report occur, a negative report is required.

(d)(1) Determinations regarding who is required to submit a statement under paragraph (a)(4) of this section shall be made by the appropriate Associate Administrator, Assistant Administrator, Regional Director, the General Counsel, the Deputy Administrator and any other Office Director not subject to any of the foregoing office directors for those employees under their respective jurisdiction. The covered employees shall thereupon be notified by their respective office directors designated above. These determinations shall also be submitted by the office director to the appropriate SBA Standards of Conduct Counselor no later than June 30 of each year.

(2) Any employee who contends that he is improperly required to file a Statement of Employment and Financial Interests under this section may request a review of his complaint under the SBA Grievance Procedure, as set forth in SOP 37 71.

(e) Statements required by this section and determinations required under paragraph (d) of this section shall be submitted:

(1) To the SBA Standards of Conduct Counselor with respect to Central Office employees;

(2) To the Regional Standards of Conduct Counselor with respect to employees within his region except that statements required from the Regional Standards of Conduct Counselor shall be submitted to the SBA Standards of Conduct Counselor.

(f)(1) The appropriate Standards of Conduct Counselor shall review the statements submitted to him to determine the existence of any possible conflicts or appearances of possible conflicts. Where such a conflict exists or appears to exist, the Counselor shall provide the employee an opportunity to explain.

(2) In the event the real or apparent conflict cannot be resolved by the Standards of Conduct Counselor, the matter shall be submitted to the Standards of Conduct Committee. The Committee shall investigate and analyze the problem and then report the matter, together with its recommendations to the Administrator.

(3) If the Administrator determines that the employee has an interest conflicting with his official duties, he may direct remedial action which may include, but is not limited to:

(i) Changes in assigned duties;

(ii) Divestment by the employee of his conflicting interests;

(iii) Disqualification for particular assignments;

(iv) Disciplinary action.

(g) Each Statement of Employment and Financial Interests shall be held in confidence by the recipient and no information may be disclosed except as the Civil Service Commission or the Administrator may determine for good cause shown.

(h)(1) The statements required herein are not a substitute for, or in derogation of, any similar requirement imposed by law, order or regulation.

(2) The filing of a statement herein in no way permits an employee or any other person to participate in any matter, make or hold any investment or engage in any activity prohibited or restricted by law, order or regulation.

(3) Notwithstanding the filing of a statement herein, every employee at all times shall avoid acquiring a financial interest or taking any action that could result in a conflict or otherwise in a violation of this regulation or any other law, order or regulation.

§ 105.512 Political activity of employees.

(a) No employee shall use his official authority to coerce or influence the political action of any person.

(b) No employee shall use his official authority or influence for the purpose of interfering with or affecting the result of an election or the nomination of a candidate for an election.

(c) No employee, except the Administrator, shall take an active part in political management or political campaigns within the meaning of 5 USC 7324 and 5 CFR Part 733.

(d) There are statutory provisions concerning political activity of employees. These include:

(1) Title 5, Subchapter III, Chapter 73, United States Code.

(2) 18 USC 595.

§ 105.513 Striking against Government.

(a) No employee shall strike against the Government.

(b) There are statutory provisions concerning strikes against the Government. They include:

(1) 18 USC 1918.

(2) 5 USC 7311.

§ 105.514 Disclosure of official information.

(a) No employee shall disclose any official information not authorized by law relating to trade secrets, processes, operations, statistical or income data or other confidential information of any person or firm.

(b) No employee shall disclose any unauthorized information concerning any SBA plan or action which will or might affect the value of securities.

(c) No employee shall utilize unauthorized or "inside" information to invest or speculate directly or indirectly, or otherwise to advance his or another's private interests. For the purposes of this section, "inside information" means information obtained under Government authority which has not become part of the body of public information.

(d) There are statutory provisions concerning the disclosure of official information. These include:

(1) 50 USC 783.

(2) 18 USC 1905.

(3) 15 USC 645(b).

§ 105.515 Duty to report irregularities.

(a) Every employee shall immediately report to the Director, Security and Investigations Division any acts of malfeasance or misfeasance or other irregularities, either actual or suspected, arising in connection with the performance by SBA of any of its official functions.

(Rev. 2, Amdt. 1, 43 FR 3078, Jan. 23, 1978)

§ 105.516 Applicable rules and directions.

(a) Every employee shall follow all agency rules, regulations, operating procedures, instructions and other proper directions in the performance of his official functions.

§ 105.517 Gambling.

(a) No employee, while on official duty or on Government owned or leased property, shall participate in or operate any gambling activity.

(b) This prohibition shall not apply to activities conducted by employee welfare or similar organizations if prior written approval therefor is obtained from the Director of Personnel.

§ 105.518 Payment of financial obligations.

(a) Each employee shall pay his just financial obligations in a proper and timely manner. This is especially important in the case of Federal, State and local taxes.

(b) For the purposes of this provision, "just financial obligations" means those acknowledged by the employee, reduced to judgment by a court or imposed by law such as Federal, State or local taxes. In the event of a dispute, SBA will not determine the validity or amount of a debt.

(c) For the purposes of this provision, "in a proper and timely manner" means a manner which does not reflect adversely upon SBA, the Government or the employee in his official capacity.

§ 105.519 Recommendations of private person.

(a) No employee shall recommend or suggest the use of any nongovernmental person to provide any service as agent, attorney or otherwise in connection with negotiations with or other involvement with SBA or any other Government department.

Restrictions Relating to Officers or Employees of Other Government or Quasi-Government Organizations

§ 105.601 Assistance to officers or employees of other Government organizations.

(a) No SBA Assistance, other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an employee of another Government department having a grade of GS–13 or its equivalent or higher in the case of civilian employees, or the rank of major or lieutenant commander or its equivalent or higher in the case of military personnel, without a prior written statement of no objection by the pertinent department or military service.

(b)(1) Without the approval of the Standards of Conduct Committee, no SBA assistance, other than disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person:

(i) When its officer, director or stockholder with a 10 percent or more interest, or a member of his household, is a member of Congress;

(ii) When its sole proprietor, partner, officer, director or stockholder with a 10 percent or more interest, or a member of his household, is an appointed official or employee of the legislative or judicial branch of the Government.

(2) There are statutory provisions relevant to the question of assistance to officials of the United States Government. These include:

(i) 18 USC 431.

(ii) 18 USC 433.

(iii) 41 USC 22.

§ 105.602 Assistance to employees or members of quasi-Government organizations.

(a) Without the prior written approval of the Standards of Conduct Committee, no SBA Assistance other than Disaster loans under subparagraphs (1) and (2) of section 7(b) of the Small Business Act, shall be furnished to a person when its sole proprietor, partner, officer, director or stockholder with a 10

percent or more interest, or a member of his household, is a member or employee of a Small Business Advisory Council or is a SCORE or ACE volunteer.

(b) In reviewing applications for approval under this provision, the Standards of Conduct Committee may consider, among other factors, the possibilities that the granting of the assistance might result in or create the appearance of giving preferential treatment, the loss of complete independence or impartiality or adversely affecting the confidence of the public in the integrity of the Government.

§ 105.701 Penalties.

Any employee guilty of violating any of the provisions in this regulation may be subject to disciplinary action, including dismissal or suspension from SBA employment, in addition to other penalties provided by law.

§ 105.801 Standards of Conduct Committee.

(a) The Standards of Conduct Committee shall:

(1) Advise and give direction in the administration of this regulation and any other rules, regulations or directives dealing with conflicts of interest and ethical standards of SBA employees;

(2) Make decisions on specific requests for guidance from the Director of Personnel and from others in connection with matters relating to standards of conduct;

(b) The Standards of Conduct Committee shall be comprised of:

(1) The General Counsel or, in his absence, the Deputy General Counsel or, in his absence, the Acting General Counsel who shall act as Chairman of the Committee;

(2) The Associate Deputy Administrator for Support Services or, in his absence, the Assistant Administrator for Personnel Management; and

(3) The Associate Deputy Administrator for Programs or, in his absence, the Director, Office of Field Management.

(AMDT. 2, 44 FR 27072, MAY 9, 1979)

§ 105.802 Standards of Conduct Counselors.

(a) The SBA Standards of Conduct Counselor shall be the Associate General Counsel for Interagency Affairs. He shall be assisted by a Regional Standards of Conduct Counselor for each SBA Region. The Regional Counsel shall be the Regional Standards of Conduct Counselor for each Region.

(b) The SBA Standards of Conduct Counselors or their delegatees shall:

(1) Provide general advice, assistance and guidance to employees concerning these Regulations;

(2) In coordination with the Director of Personnel and his delegatees, monitor the Standards of Conduct Program within their respective areas and provide required reports thereon; and

(3) Review Statements of Employment and Financial Interests as required under Section 105.511 herein. Each Regional Standards of Conduct Counselor shall provide an annual report on filing requirements and compliance therewith within his Region to the Associate General Counsel for Interagency Affairs as of September 1 of each year.

(c) Each employee shall be periodically informed by the director of his office of the name, address and telephone number of the Standards of Conduct Counselor whom he may contact for advice and assistance.

(d) Where a specific ruling is requested by or required from an employee regarding a particular situation or set of facts, the request should be directed through the Standards of Conduct Counselor to the Standards of Conduct Committee.

§ 105.901 Statutory and other regulatory provisions.

The attention of all employees is also directed to the following statutory and other legal provisions:

(a) House Concurrent Resolution 175, 85th Congress 2nd Session, 72 Stat. B12, the "Code of Ethics for Government Service."

(b) Chapter 11 of Title 18, United States Code, relating to bribery, graft, and conflicts of interest.

(c) The prohibition against lobbying with appropriated funds (18 USC 1913).

(d) The prohibition against disloyalty and striking (5 USC 7311, 18 USC 1918).

(e) The prohibition against the employment of a member of a Communist organization (50 USC 784).

(f) The prohibitions contained in the Freedom of Information Act against failing to disclose information disclosure of which is required by that Act (5 USC 552(a)(4)(F)).

(g) The prohibitions against: (1) The disclosure of classified information (18 USC 798, 50 USC 783); (2) the disclosure of confidential information (18 USC 1905); and (3) disclosure of information which is restricted by the Privacy Act (5 USC 552a(i)(1)).

(h) The provision relating to the habitual use of intoxicants to excess (5 USC 7352).

(i) The prohibition against the misuse of a Government vehicle (31 USC 638a (c)).

(j) The prohibition against the misuse of the franking privilege (18 USC 1719).

(k) The prohibition against the use of deceit in an examination or personnel action in connection with Government employment (18 USC 1917).

(l) The prohibition against fraud or false statements in a Government matter (18 USC 1001).

(m) The prohibition against mutilating or destroying a public record (18 USC 2071).

(n) The prohibition against counterfeiting and foregoing transportation requests (18 USC 508).

(o) The prohibitions against: (1) Embezzlement of Government money or property (18 USC 641); (2) failing to account for public money (18 USC 643); and (3) embezzlement of the money or property of another person in the possession of an employee by reason of his employment (18 USC 654).

(p) The prohibitions against political activities in Subchapter III of Chapter 73 of Title 5, United States Code and 18 USC 602, 607, and 608.

(q) The prohibitions against: (1) Embezzling or misapplying funds and securities, (2) making false reports with intent to defraud, (3) receiving money or profit fraudulently through act of SBA and (4) making profit out of information about value of securities of companies receiving assistance (15 USC 645).

This Part 105 was approved by the Civil Service Commission on June 11, 1976.

Dated: July 12, 1976.

Effective Date. This Part 105 shall become effective on July 19, 1976.

MITCHELL P. KOBELINSKI,
Administrator.

[FR Doc.76-20744 Filed 7-16-76;8:45 am]