19.102 Small business size standards and North American Industry Classification System codes.

(a) Locating size standards and North American Industry Classification System codes.

(1) SBA establishes small business size standards on an industry-by-industry basis. Small business size standards and corresponding North American Industry Classification System (NAICS) codes are provided at 13 CFR 121.201. They are also available at https://www.sba.gov/document/support--table-size-standards.

(2) NAICS codes are updated by the Office of Management and Budget through its Economic Classification Policy Committee every five years. New NAICS codes are not available for use in Federal contracting until SBA publishes corresponding size standards. NAICS codes are available from the U.S. Census Bureau at https://www.census.gov/?eos/?www/?naics/.

(b) Determining the appropriate NAICS codes for the solicitation.

(1) Unless required to do otherwise by paragraph (b)(2)(ii)(B) of this section, contracting officers shall assign one NAICS code and corresponding size standard to all solicitations, contracts, and task and delivery orders. The contracting officer shall determine the appropriate NAICS code by classifying the product or service being acquired in the one industry that best describes the principal purpose of the supply or service being acquired. Primary consideration is given to the industry descriptions in the U.S. NAICS Manual, the product or service descriptions in the solicitation, the relative value and importance of the components of the requirement making up the end item being procured, and the function of the goods or services being purchased. A procurement is usually classified according to the component that accounts for the greatest percentage of contract value.

(2)

(i) For solicitations issued on or before October 1, 2022, that will result in multiple-award contracts, the contracting officer shall assign a NAICS code in accordance with paragraph (b)(1) of this section.

(ii) For solicitations issued after October 1, 2022, that will result in multiple-award contracts, the contracting officer shall–

(A) Assign a single NAICS code (and corresponding size standard) that best describes the principal purpose of both the acquisition and each subsequent order; or

(B) Divide the acquisition into distinct portions or categories (e.g., line item numbers, Special Item Numbers, sectors, functional areas, or equivalent) and assign each portion or category a single NAICS code and size standard that best describes the principal purpose of the supplies or services to be acquired under that distinct portion or category.

(3)

(i) When placing orders under multiple-award contracts with a single NAICS code, the contracting officer shall assign the order the same NAICS code and corresponding size standard designated in the
contract.

(ii) When placing orders under multiple-award contracts with more than one NAICS code, the contracting officer shall assign the order the NAICS code and corresponding size standard designated in the contract for the distinct portion or category against which the order is placed. If an order covers multiple portions or categories, select the NAICS code and corresponding size standard designated in the contract for the distinct portion or category that best represents the principal purpose of the order.

(4) The contracting officer's designation is final unless appealed in accordance with the procedures in 19.103.

(c) Application of small business size standards to solicitations.

(1) The contracting officer shall apply the size standard in effect on the date the solicitation is issued.

(2) The contracting officer may amend the solicitation and use the new size standard if SBA amends the size standard and it becomes effective before the due date for receipt of initial offers.

**Parent topic:** Subpart 19.1 - Size Standards