



Weekly Report for September 23, 2016

GOVERNMENT CONTRACTS

Notice of Minimum Wage Rate Change for Contractors

The Wage and Hour Division of the U.S. Department of Labor issued a notice announcing that beginning January 1, 2017, the Executive Order minimum wage rate that generally must be paid to workers performing work on, or in connection with, covered contracts will increase from \$10.15 per hour to \$10.20 per hour, and the required minimum cash wage that generally must be paid to tipped employees performing work on, or in connection with, covered contracts will increase to \$6.80 per hour, [81 Fed. Reg. 64513](#). This notice became effective on September 20, 2016.

SMALL BUSINESS ADMINISTRATION

SBIC - Early Stage Initiative

SBA has proposed a rule to make changes to its Early Stage Small Business Investment Company ("SBIC") initiative, which was launched in 2012 as a five-year effort as part of President Obama's Startup America Initiative. The intent of the initiative was to license and provide SBA-guaranteed leverage to Early Stage SBICs that would focus on making investments in early stage small businesses. To date, SBA has only licensed five Early Stage SBICs. In an attempt to attract more qualified early stage fund managers, this rule proposes changes to the initiative with respect to licensing, non-SBA borrowing, and leverage eligibility. In addition, this rule reflects SBA's intention to continue licensing and providing SBA-guaranteed leverage to Early Stage SBICs beyond the five-year term of the initiative, and proposes certain technical changes to SBA's Early Stage regulations, [81 Fed. Reg. 64075](#). Comments on the proposed rule are due by October 19, 2016.