

**PROGRAM:** SBA Section 8(a) Program

**AGENCY:** Small Business Administration (SBA)

**DESCRIPTION:** Through the 8(a) Program, small businesses owned by socially and economically disadvantaged persons may obtain federal government contracts and other assistance in developing their business.

**ELIGIBLE USE:**

- The SBA acts as a prime contractor and enters into all types of federal government contracts with other government departments and agencies, and negotiates subcontracts for small business owners accepted into the 8(a) Program.
- Government contracts include, but are not limited to:
  - Supply,
  - Services,
  - Construction, and
  - Research and development.

**PROGRAM/LOAN STRUCTURE:**

- Term: Every 8(a) participant is subject to a Program Participation Term (PPT). This term will be nine years from the date an applicant is certified as a program participant.

**QUALIFICATION CRITERIA/COMMENTS:**

- Applicants must meet certain program requirements, including:
  - Ownership: An applicant concern must be one which is at least 51% owned by an individual who is a citizen of the U.S. and who is determined to be socially and economically disadvantaged;.
  - Social disadvantage: Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group, without regard to their individual qualities.
  - Economic disadvantage: Economically disadvantaged individuals are socially disadvantaged and whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities, control, and management: An applicant concern's management and daily business operations must be controlled by an individual(s) determined to be socially and economically disadvantaged, and who is engaged in the daily management and operation of the business.
  - Size standard: Must qualify as a small business as defined by the SBA, and
  - Potential for success: An applicant must be determined, with support, to be able to successfully perform on contracts awarded and will have a reasonable prospect for success in competition in the private sector.
- For more on the 8a program, visit <http://www.sba.gov/8abd/indexfaqs.html> or visit the SBA homepage at [http://www.sba.gov/starting\\_business/index.html](http://www.sba.gov/starting_business/index.html) .