The facts about...

8(a) Business Development Program (8(a)BD Program)

What is the 8(a) Business Development Program? The SBA’s 8(a) BD Program was created to promote equal access for socially and economically-disadvantaged individuals (include Black, Hispanic, Native, Asian Pacific and Subcontinent Asian Americans) to participate in the business sector of the nation’s economy and assist 8(a)BD-approved (participant) firms to develop their business toward self-sufficiency and become a viable contender in the business marketplace. Individuals who are not members of these minority groups, who can demonstrate that they are socially and economically disadvantaged may also be eligible.

Eligibility criteria:

Individual Eligibility  A business must be owned, controlled and operated by one or more persons who are socially and economically disadvantaged. Aliens, including permanent residents, are excluded;

Business Eligibility Corporation - the eligible individual must unconditionally own 51% minimally of the applicant firm; Partnership - the eligible individual must unconditionally own 51% minimally of the partnership interest; Proprietorship - the eligible individual must own 100% of the applicant firm;

Control & Management Full-time involvement by the disadvantaged owner and solely controlled by that individual; and,

Length of Time in Business To meet the requisite “potential for success” factor, an applicant firm must have been in business two full years or meet the requirements for a waiver of the requisite (contact the local SBA District Office staff for more information).

An individual’s eligibility may be used only once for 8(a)BD Program participation and for only one business.

What type of assistance is available? SBA provides participant firms with business development assistance (financial, management, marketing, and other technical assistance). Procurement assistance is also provided to participants firms whose products and services are aligned with Federal procurement activity.

Participants may receive government contract opportunities via sole-source contracts, up to a ceiling of $4 million for goods and services; $6.5 million in manufacturing industry.

SBA provides in-depth business counseling resources through local and state-wide community resource professionals such as: SCORE (Minneapolis Chapter hosts the Business Planning Center on Tuesday/Thursday, 1 pm-4pm); Small Business Development Centers (SBDC); and Procurement Technical Assistance Centers (PTAC). SBA also provides financial assistance, training and surety bond guarantees.

For additional information on the 8(a)BD Program, visit SBA online: www.sba.gov/aboutsba/saprowgs/8abd. 8(a) e-application is online!

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