



8(a) Business Development Program

What is the 8(a) BD Program?

The 8(a) Business Development Program is a business assistance program for small disadvantaged businesses. The 8(a) Program offers a broad scope of assistance to firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals.

The 8(a) Program is an essential instrument for helping socially and economically disadvantaged entrepreneurs gain access to the economic mainstream of American society. The program helps thousands of aspiring entrepreneurs to gain a foothold in government contracting.

Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage.

Benefits of the 8(a) BD Program

Participants can receive sole-source contracts, up to a ceiling of \$4 million for goods and services and \$6.5 million for manufacturing. While SBA helps 8(a) firms build their competitive and institutional know-how, SBA also encourage you to participate in competitive acquisitions.

8(a) firms are also able to form joint ventures and teams to bid on contracts. This enhances the ability of 8(a) firms to perform larger prime contracts and overcome the effects of contract bundling, the combining of two or more contracts together into one large contract. Also, see the Mentor-Protégé Program for more information on allowing starting 8(a) companies to learn the ropes from other more experienced businesses.

Eligibility criteria for the 8(a) BD Program

The business (except entity-owned firms*) must:

1. Be small by SBA standards at time of application and throughout the 9 year program term - www.sba.gov/size
2. Be at least 51% unconditionally and directly owned and controlled by one or more socially disadvantaged individuals who are US citizens and are economically disadvantaged.
Control Definition: <https://www.sba.gov/content/control-eligibility>
Social Disadvantaged: <https://www.sba.gov/content/social-disadvantage-eligibility>
Economically Disadvantaged: <https://www.sba.gov/content/economic-disadvantage-eligibility>
3. Show potential for success (generally by being in business for two years) and have the necessary financial capacity to successfully perform on federal contracts.

4. Have all its principals demonstrate good character including not owning any outstanding federal financial obligations.

Good Character: <https://www.sba.gov/content/additional-eligibility-criteria>

*Requirements are different for firms that are owned by Entities such as: Alaska Native Corporations (ANCs), Indian tribes, Native Hawaiian Organizations (NHOs), and Community Development Corporations (CDCs).

All firms that are current Participants in the SBA's 8(a) BD program are automatically deemed to be certified Disadvantaged Business.

LINKS

SBA 8(a) Business Development Program Home Page – www.sba.gov/8a

Understanding the Federal Marketplace: These resources will help you identify, create and pursue potential business opportunities with the federal government. -

<https://www.sba.gov/category/navigation-structure/contracting/contracting-opportunities>

Useful Government Contracting Websites -

http://www.minnesota.feb.gov/images/Useful_Government_Contracting_Websites.pdf

Mentor-Protégé Program - <https://www.sba.gov/content/mentor-protege-program>