



DEFENSE LOGISTICS AGENCY

SMALL DISADVANTAGED BUSINESS

8(a) BUSINESS DEVELOPMENT PROGRAM

WHAT IS A SMALL DISADVANTAGED BUSINESS?

Small Disadvantaged Business (SDB) is a firm that qualifies as small for the size standard corresponding to the six-digit North American Industry Classification System (NAICS) code assigned to the contract, and is owned and controlled by one or more individuals who are both socially and economically disadvantaged.

Socially disadvantaged is an individual who has been subject to racial or ethnic prejudice or cultural bias. Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Subcontinent Asian Americans are presumed to be socially disadvantaged under federal law. If you are not a member of a presumed group, you may still be eligible for admission to the 8(a) Program on a case-by-case basis if you demonstrate you have experienced bias of a chronic and substantial nature.

Economically disadvantaged is an individual who, as a result of belonging to a socially disadvantaged group, has had a lessened ability to compete in the marketplace due to diminished capital and credit opportunities, as compared to others in the same or similar line of business who are not socially disadvantaged. The determination of whether an individual is economically disadvantaged requires an evaluation of the individual's total assets, net worth and personal income for the past three years. An individual claiming an economic disadvantage 1) must have a net worth less than \$750,000, 2) must have an average income over the past three years that does not exceed \$350,000 and 3) must not own assets worth more than \$6 million.

CERTIFICATION FOR SDBs AND THE 8(a) PROGRAM

Self-certification for SDBs. If you are an SDB, you should self-certify as part of your registration in the System for Award Management (SAM.gov). Although you generally will not receive any special preference as an SDB competing for prime contracts (outside of the 8(a) Program), agencies have an interest in supporting SDBs because the federal government's goal is to award at least five percent of all contract dollars to SDBs. Government prime contractors with small business subcontracting plans also have a goal to award a certain proportion of their subcontracts to SDBs.

The SBA Dynamic Small Business Search (DSBS) is a database that government agencies use to find small business contractors for upcoming contracts. Small businesses can also use DSBS to find other small businesses to work with and large prime contractors can use the database to find small business subcontractors. The information you provide when you register your business at SAM.gov is used to populate DSBS, so you should create a comprehensive business profile.

SBA Certified 8(a) Program Participant. When SBA approves you as an 8(a) Program participant, they will enter this information in the DSBS, which will interface with your SAM profile. This is not a self-certification and you cannot enter the information yourself, however, you should check to ensure that your SAM.gov profile accurately reflects the SBA-certification for the 8(a) Program after you have been approved to participate.

8(a) is a nine-year program and you can only participate once. Given the limited period for which you may participate, you should ensure your business has the necessary resources and capabilities to successfully win and perform government contracts before you apply for the program.



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APPLY TO SBA FOR THE 8(a) PROGRAM

First, you will need to have or establish a profile at [SAM.gov](https://sam.gov). Next, use <https://certify.sba.gov/> to apply for the 8(a) Program. The information you will need to provide will vary based on your business structure and whether you are already participating in other SBA programs.

Watch this video SBA posted about the 8(a) Program application process: <https://youtu.be/Z2eq7R3nj7M>

NOTE: Both [SAM.gov](https://sam.gov) and 8(a) Program applications are **FREE** registrations. There may be 3rd party vendors that offer to provide this service for a fee, which is usually not necessary.

FOR ADDITIONAL INFORMATION

Refer to SBA's website, which provides more information about the 8(a) Program:

www.sba.gov/federal-contracting/contracting-assistance-programs/8a-business-development-program

Contact your local Procurement Technical Assistance Center (PTAC), which can assist you completing your SAM profile and applying to SBA for the 8(a) Program. The PTACs operate under a DoD assistance program and will provide this service for free: <https://www.dla.mil/SmallBusiness/PTAP/PTAC/>

Read SBA rules in Part 124 of Title 13, Code of Federal Regulations (CFR): <https://www.ecfr.gov/>

Read Subparts 19.8 and 219.8 of the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS), respectively: <https://www.acquisition.gov/>