



Article 117

December 27, 2009

SBA Program Helps Disadvantaged Small Businesses Grow

By John Woosley, director, U.S. Small Business Administration, New Mexico District Office

Most business owners are aware of the loan guarantees provided by the U.S. Small Business Administration (SBA) to help support and develop their businesses. SBA is also the agency that helps small businesses contract with the federal government, the largest customer in the world. Included in that contracting role is the 8(a) program, which uses federal contracting opportunities to help socially and economically disadvantaged small businesses participate in the marketplace.

Under the program, SBA business development specialists provide a broad range of support such as mentoring, procurement assistance, training and other financial, management and technical assistance to help these businesses prepare to do business with the federal government and other customers.

Who is eligible

The general eligibility for the 8(a) program includes individuals who are “socially and economically disadvantaged.” This category includes people who are members of racial and ethnic minority groups and other individuals who can show individual social disadvantage. A personal net worth of \$250,000 or less, excluding the value of any residence and the applicant business, is one of the parameters for economic disadvantage for the purposes of this program.

Individuals must hold majority ownership in the business for which they apply for 8(a) status and work full time in that business. The business itself must not exceed specific size standards, be at least 2 years old, demonstrate it is under sound management and generate products or services that are needed by the government as determined by a history of federal contracts in that area. Although the federal government purchases a very wide variety of products and services, in New Mexico we see a preponderance of federal contracts in the construction, information technology, landscaping, security and office-support industries.

Changes in the works

The SBA is considering modifications to the 8(a) program regulations and the public is invited to comment on those proposed modifications. The proposed changes may be found at <http://edocket.access.gpo.gov/2009/pdf/E9-25416.pdf>. A public meeting is set for 9 a.m. to 4 p.m. Jan. 15 in Room 100 of Smith Brasher Hall on the main campus of Central New Mexico Community College, 525 Buena Vista Drive S.E., Albuquerque. A separate meeting specifically

for the Native American business community will be held from 9 a.m. to 4 p.m. Jan. 14 in the Pottery Room of the Indian Pueblo Cultural Center, 2401 12th St. N.W. in Albuquerque.

Preregistration by Jan. 11 is required for either meeting. To preregister, email Latrice Andrews in the SBA's office of business development with the presenter's name, organization, address, telephone and email address at latrice.andrews@sba.gov or fax the information to 505-481-4042. Presenters should indicate whether they intend to speak or offer written testimony.

A panel of SBA representatives will receive the public's testimony, which will become part of the public record. The SBA requests that comments focus on the proposed changes and do not raise issues pertaining to other SBA programs.

For more information, go to www.sba.gov.

Finance New Mexico is an initiative of the New Mexico Small Business Investment Corporation (NMSBIC) and its partners to assist individuals and businesses in obtaining skills and funding-resources for their business or idea. To learn more, go to www.FinanceNewMexico.org.

