

Overview of Subcontracting Preference Programs

<i>Program Name and Purpose</i>	<i>Qualifiers</i>	<i>Certification Required</i>	<i>Goal</i>	<i>Set Asides</i>	<i>Preference</i>	<i>Registration</i>
Small Business Program Achieve maximum utilization of small business by government agencies and major government prime contractors.	<ul style="list-style-type: none"> • Must be a small business* 	Self-Certification	23%	yes	no	required
HUBZone (Historically Underutilized Business Zone) Principle office or manufacturing facility must be located in a HUBZone 35% of the employees must reside in a HUBZone Owner(s) must be American Citizen(s) Provide federal contracting assistance for qualified small business concerns located in these zones to increase employment opportunities; stimulate capital investment in those areas and empower communities through economic leveraging and the “multiplier effect” Achieve maximum utilization of such businesses by government agencies and major government contractors.	<ul style="list-style-type: none"> • Must be a small business 	Yes by the Small Business Administration	3%	yes	10%	required
SDB (Small Disadvantaged Business) Achieve maximum utilization of such businesses by government agencies and major government prime contractors.	<ul style="list-style-type: none"> • Must be a small business • 51% ownership and day-to-day management by SDB qualified individual(s) • Net worth of no more than \$750k • Owner(s) must be American citizen(s) 	Yes by the Small Business Administration	5%	no	10%**	required
8(a) Achieve maximum utilization of small socially and economically disadvantaged firms by government agencies and major government prime contractors. Under the Small Business Act, certain presumed groups include African Americans, Hispanic Americans, Asian Pacific Americans, and Subcontinent Asian Americans. Other individuals can be admitted to the program if they show through a “preponderance of the evidence” that they are disadvantaged because of race, ethnicity, gender, physical handicap, or residence in an environment isolated from the mainstream society.	<ul style="list-style-type: none"> • Must be a small business • 51% ownership and day-to-day management by 8(a) qualified individual(s) • Net worth of no more than \$250k • Owner(s) must be American citizen(s) • Company must be at least two years old 	Yes by the Small Business Administration	included in 5% SDB goal	yes	10%	required
Service Disabled Veteran Owned Business Achieve maximum utilization of such businesses by government agencies and major government prime contractors.	<ul style="list-style-type: none"> • Must be a small business • 51% ownership and day-to-day management by service disabled U.S. veteran(s) • Disability must be service related 	Self-Certification (with documentation of disability status from Veterans Admin.)	3%	no	no	recommended
Veteran Owned Business Achieve maximum utilization of such businesses by government agencies and major government prime contractors	<ul style="list-style-type: none"> • Must be a small business • 51% ownership and day-to-day management by U.S. veteran(s) 	Self-Certification (with documentation of veteran status from Veterans Admin.)	best effort	no	no	recommended
Woman Owned Business Achieve maximum utilization of such businesses by government agencies and major government prime contractors	<ul style="list-style-type: none"> • Must be a small business as defined by SBA • 51% ownership and day-to-day management by a woman/women • Owner(s) must be American citizen(s) 	Yes — For MA Dept. of Transportation by SOMWBA No — All others self-certification***	5%	no	no	recommended

* A small business is defined by the following: Must be organized for profit, with place of business located in the US; meets the size standard for its industry as designated by the applicable NAICS code. Refer to SBA’s size homepage at www.sba.gov/size and NAICS/SIC Conversion at www.census.gov/epcd/www/naicstab.htm

** Applies to the following industries: Agriculture, Construction, Electric, Fishing, Forestry Transportation, Finance, Gas, Insurance, Manufacturing, Mining, Real Estate Service, Sanitary Service, Wholesale Trade

*** Some prime contractors may require a third party certification. Consult companies directly.