

Business Certification Programs for Women-owned, Minority-owned, and Socially Disadvantaged Firms

Any business owner who is interested in applying for minority or woman-owned business certification should understand the importance of this certification. Certification could give a company an advantage when bidding for government or private sector business. One purpose for certification is to identifying minority (including women) owned businesses. Business certification programs fall into state and local programs, and federal programs.

State Certification Programs

Historically Underutilized Business (HUB) Program

The Texas Building and Procurement Commission (TBPC) administers the Historically Underutilized Business (HUB) Program as outlined in Texas Government Code Chapter 2161. The program is designed to promote full and equal business opportunities for all businesses in state contracting. HUB certification increases exposure to solicitations for the procurement of goods and services by state agencies.

Because all state agencies are required to make a good faith effort to include HUBs in procurement opportunities when purchasing goods and services, tremendous opportunities are available for HUBs certified by the Texas Building and Procurement Commission (TBPC). If you have a for-profit business, which is principally located in the State of Texas and majority owned by an Asian Pacific American, African American, Hispanic American, Native American and/or American Woman, you may be eligible for the State of Texas HUB Program.

BPC's Statewide HUB Program has several certification agreements with various minority and women business certification entities throughout the State of Texas. These certification memorandum of agreements (MOA) reduce the paperwork and administrative burden on minority and women owned businesses by allowing them to gain HUB certification without completing additional paperwork when they become certified and are determined to be HUB eligible through one of our certification MOAs. If HUB eligibility requirements are met, HUB certification may be obtained via certification as a Disadvantaged Business Enterprise, Minority Business Enterprise or Women's Business Enterprise with one of our certification partners. Currently, the TBPC has certification MOAs with the following certifying entities:

- Texas Department of Transportation,
- Houston Minority Business Council,
- City of Houston,
- Dallas/Fort Worth Minority Business Development Council,
- Central and South Texas Minority Business Council,

- Women’s Business Enterprise Alliance, and
- Women’s Business Council – Southwest.

To become HUB certified and to learn more about the rules and certification agreements, contact the Texas Building and Procurement Commission at (512) 936-3000, or you can visit the website at <http://www.tbpc.state.tx.us/hub/> for contact, and certification information.

Federal Certification Programs

HUBZone Certification Program

The program encourages economic development in historically underutilized business zones. There are three types of HubZone contracts: competitive, sole source, and a full and open competition.

The Small Business Reauthorization Act of 1997 increases the overall government wide procurement goal for small business from 20% to 23%. The statute sets the goal for HUBZone contracts as follows: 1999 - 1%; 2000 - 1 ½ %; 2001 - 2%; 2002 - 2 ½ %; 2003; and each year thereafter - 3%.

Basic Requirements:

- Must be a small business by Small Business Administration (SBA) size standards
- Must be a U.S. Citizen if you own an or equity interest in the company
- Principle office must be in a HUBZone or
- 35% of employees must reside in a HUBZONE

You can visit the website at <https://eweb.1.sba.gov/hubzone/internet>. On the website you can also find information on what is considered a “HUBZone” and the descriptions of the different types of “HUBZone” contracts.

8(a) Business Development Program

8(a) Business Development Program-offers a broad scope of assistance to socially and economically disadvantaged firms.

Benefits of this program include:

- Sole source contracting opportunities
- Exclusive training opportunities
- Small Disadvantaged Business (SDB) Certification

Basic Requirements for 8(a) Business Development Program:

- Must be a small business by SBA size standards

- Must have potential of success
- Must register in CCR/PRO~Net at www.ccr.gov
- Must own and control 51% of the business
- Must be socially disadvantaged
- Adjust net worth below \$250,000

For more information you can visit the website at www.sba.gov/8abd

Small Disadvantaged Business (SDB) Program

Small Disadvantaged Business (SDB) Program-SDB certification strictly pertains to benefits in Federal procurement.

Benefits of this program include:

- Eligible for price evaluation adjustments up to 10 percent when bidding on federal contracts in certain industries
- Provides evaluation credits for prime contractors who achieve Small Disadvantage Business (SDB) subcontracting targets
- Certification for three years

Basic Requirements for Small Disadvantaged Business (SDB) Program:

- Must be a small business by SBA size standards
- Must be a U.S. Citizen
- Must own and control 51% of the business
- Must be socially and economically disadvantaged
- Adjust net worth below \$750,000

For more information you can visit the website at www.sba.gov/sdb, or contact the SBA, Office of Business Development in Washington, DC at (202) 619-1850

Applying for SDB Certification

Small businesses that want to take advantage of the SDB Program must be certified by the SBA. You can obtain more information about certification and the SDB Program by:

- Contacting any SBA district office at www.sba.gov/regions/states.html, or
- Reviewing the SDB home page, <http://www.sba.gov/sdb>, or
- Taking the online training course on SBA certifications at <http://www.sba.gov/training/certprograms.html> , or
- For more information or questions, call (202) 619-1850.

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