

Resource Guide *for*
American Indians, Alaska Natives
and Native Hawaiians



Office of Native American Affairs

www.sba.gov/naa



A MERICAN INDIANS, ALASKA NATIVES AND NATIVE HAWAIIANS have a strong history of entrepreneurship and small business ownership. The SBA can assist you as you begin your journey into small business ownership, help you expand and create new jobs, or provide the resources to help you survive and prosper through challenging economic times. Every year, the SBA and its nationwide network of partners help millions of entrepreneurs to start, grow and succeed in business. The SBA features more than 80 regional and district offices and a network of entrepreneurial development resource partners—SCORE (previously known as the Service Corps of Retired Executives), America’s Small Business Development Centers, Veterans Business Outreach Centers and Women’s Business Centers in cities, towns and communities across America.

Mission

The U.S. Small Business Administration’s Office of Native American Affairs (ONAA) ensures that American Indians, Alaska Natives and Native Hawaiians seeking to create, develop and expand small businesses have full access to business development and expansion tools. ONAA strives to expand the participation of Native Americans in SBA’s training, financial assistance and contracting assistance programs.

SBA Programs and Services

Our key areas of assistance include the following:

Starting Your Business: The SBA provides assistance in developing business plans, making contacts, accessing resources and completing loan applications.
www.sba.gov/tools/sba-learning-center

Growing Your Business: The SBA offers programs to help you access funding and obtain loan guarantees, improve product diversification, explore export options and ideas to improve marketing and sales.
www.sba.gov/smallbusinessplanner/manage/index.html

Financing Your Business: The options include loan guarantees to help small businesses get started; fixed-asset loans to purchase land and buildings; surety bond guarantees for small and minority construction contractors; export assistance and venture capital.
www.sba.gov/financing

Contracting Opportunities: Every year, the federal government awards more than \$500 billion in contracts with a statutory goal of reserving 23 percent for small businesses. The SBA helps small businesses obtain federal contracts and subcontracts through outreach programs, matchmaking events and online training.
www.sba.gov/gclassroom



Alaska Native Corporations, tribally-owned entities and Native Hawaiian Organizations are entitled to special provisions under the 8(a) Business Development Program – named for the relevant section of the Small Business Act – to assist Native-owned companies in gaining access to federal and private procurement opportunities. www.sba.gov/8abd

Recovering from Disaster: Low-interest loans and grants are made available to help businesses and homeowners in federally declared disaster areas.
www.sba.gov/disaster

SBA Regional and District Offices

The SBA’s network of more than 80 regional and district offices across America links entrepreneurs with the local programs and services they need. To find the office nearest you, visit www.sba.gov and click on your state on the interactive map.

Business Counseling and Assistance

A network of SBA partners across America stands ready to assist Native Americans with a wide range of business needs, and get a head start with business experts who can help you. These resources include the SBA’s 68 district offices which serve every state and U.S. territory; nearly 350 offices of SCORE; 1,000+ America’s Small Business Development Centers; 110 Women’s Business Centers; and 16 Veterans Business Outreach Centers. To locate the SBA district office or SBA resource partners nearest you, go to www.sba.gov/local/.

Small Business Development Centers (SBDC)

These centers offer one-on-one, long-term business counseling, training and specialized services reflecting individual client needs, based on a client needs assessment, business trends and individual business requirements. SBDCs are located throughout the United States, Guam, Puerto

Rico, American Samoa and the U.S. Virgin Islands. The centers modify their services to meet the evolving needs of the small business community in their locales. They combine federal, state, and local government services with educational institutions and other public and private sector resources to support Native American and other small business owners. www.sba.gov/sbdc

SCORE provides small business owners and entrepreneurs with free, confidential face-to-face and online business coaching. These services and training workshops are offered at more than 350 SCORE chapter offices across the country and are available online. The 10,500+ retired and working volunteers in SCORE are experienced entrepreneurs, corporate managers or executives.

The business coaches have varied backgrounds and offer expertise in areas such as, business plan development, marketing, accounting, personnel management, securing financing, and managing business growth. www.score.org

Women's Business Centers (WBC)

Native American women have a high rate of business ownership, and the nationwide network of Women's Business Centers provides hands-on support in almost every state and on some Indian land. These centers tailor their services to the needs of the communities by modifying courses, adding workshops and seminars or offering services in various languages to address cultural and social issues. Some WBCs focus specifically on Native American entrepreneurs. Many classes offered by the WBCs are either free or low cost. www.sba.gov/women

Veterans Business Outreach Centers

The Veterans Business Outreach Program is designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible veterans owning or considering starting a small business. The SBA has 16 organizations participating in this cooperative agreement and serving as Veterans Business Outreach Centers.

www.sba.gov/content/veterans-business-outreach-centers

Nationwide Resources

In addition to providing nationwide resource partners, the SBA offers other resources nationally through business and community initiatives and an online small business-training network. www.sba.gov/training

Small Business Learning Center

In addition to training workshops held by the SBA district offices and resource partners across the country, the agency also features the Small Business Learning Center, an Internet-based virtual campus that offers free courses, workshops and other resources that are designed

to help small businesses, entrepreneurs, and students compete in a constantly changing global environment. These business management resources are available 24 hours per day/365 days a year. www.sba.gov/training

Learn About Your Financing Options

SBA does not offer direct loans to start or grow businesses. Instead, it provides loan guaranties that help financial institutions provide loans to small businesses that would not otherwise qualify for financing.

www.sba.gov/financing/

7(a) Loan Guaranty Program

This is the agency's primary business loan program to help qualified small businesses obtain financing up to \$5 million.



Microloan Program

The Microloan Program provides short-term loans of up to \$50,000 to small businesses and not-for-profit childcare centers for working capital or for the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Proceeds cannot be used to pay existing debts or to purchase real estate. These loan products are delivered through specially-designated intermediary lenders (nonprofit organizations with experience in lending and providing technical assistance). The SBA sets the guidelines for the loans, while the agency's partners (lenders, community development organizations or micro-lending institutions) make the loans to small businesses.

Certified Development Company (CDC) Loan Program (504 Loan)

504 loans provide long-term, fixed-rate financing (up to \$5 million) to small businesses to acquire real estate, machinery or equipment for expansion or modernization. These loan products are delivered through CDCs (private, nonprofit corporations set up

to contribute to the economic development of their communities or regions).

Surety Bond Guarantee (SBG) Program

The SBG provides small and minority contractors with contracting opportunities for which they would not otherwise bid. SBA can guarantee bonds for contracts up to \$6.5 million, covering bid, performance and payment bonds for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA's guarantee gives sureties an incentive to provide bonding for eligible contractors, and thereby strengthens a contractor's ability to obtain bonding and greater access to contracting opportunities.

<http://www.sba.gov/surety-bonds>

Small Business Investment Company (SBIC) Program

SBICs, licensed by the SBA, are privately owned and managed investment firms. The SBICs are participants in a vital partnership between the government and the private sector economy. Utilizing their own capital and funds borrowed at favorable rates through the federal government, SBICs provide venture capital to small independent businesses both new and already established. All SBICs are profit-motivated businesses. A major incentive for SBICs to invest in small businesses is the chance to share in the success of the small business if it grows and prospers.

www.sba.gov/inv

Disaster Recovery Loans

The SBA provides low-interest direct loans to help businesses, homeowners and renters in federally declared disaster areas recover as quickly as possible. Loans are available to restore primary residences, repair or replace uninsured personal property and recover from economic injury. Assistance may also be available when an owner or key employee is part of a national call-up of the Reserves or National Guard.

Federal Contracting and Subcontracting Opportunities

Working side-by-side with federal agencies and major prime contractors across the U.S., the SBA helps ensure that small businesses have the maximum opportunity to compete for and win a fair share of government contracts or subcontracts. Every year, the federal government awards more than \$500 billion in contracts with a statutory goal of reserving 23 percent of those contracts for small businesses — 5% of which is reserved for small disadvantaged business and 3% for Historically Underutilized Business Zone (HUBZone) entities.



American Indians, Alaska Natives, Native Hawaiians, tribally-owned businesses, Alaska Native Corporations and Native Hawaiian Organizations can qualify for Small Disadvantaged Business Certification. The business must be for profit and majority owned by the disadvantaged person, tribe, Alaska Native Corporation or Native Hawaiian Organization and meet the SBA size standards criteria. Contracting opportunities also exist for women, disadvantaged individuals, service-disabled veterans, and small businesses located in distressed or HUBZones areas. For applications and more information, go to www.sba.gov/content/disadvantaged-businesses.

8(a) Business Development Program

This program is named for a section of the Small Business Act, created to help small socially and economically disadvantaged businesses compete in the American economy and access the federal procurement market. Firms must qualify as socially and economically disadvantaged. For applications and more information, go to www.sba.gov/8abd.

8(a) Qualifications and Basic Requirements

- Must be a small business
- Must be socially and economically disadvantaged
- Native Americans qualify as socially disadvantaged
- Must be a for-profit business
- Must be owned/controlled by a U.S. citizen
- Must be a disadvantaged person and primary owner
- Must demonstrate the potential for success by being a company in business for two years.

What groups are socially disadvantaged?

According to the Small Business Act, members of the following groups are presumed to be socially disadvantaged: Native Americans, African Americans, Asian Pacific Americans, Subcontinent Asian Americans, Hispanic Americans and other members of groups as designated by the SBA.

What is considered to be a small business?

The SBA defines a small business concern as one that is independently owned and operated, is organized for profit and is not dominant in its field. Depending on the industry size standard, eligibility is based on the average number of employees for the preceding 12 months, or on sales volume averaged over a three-year period.

Historically Underutilized Business Zone Program

This program targets procurement preferences toward firms located in, and employing residents of, distressed American communities. These urban and rural American communities are characterized by chronic high unemployment and/or low household income. Through the award of such contracts, funds flow to distressed communities promoting job growth, capital formation and economic development. As mentioned earlier, Federal agencies are required to award 3 percent of their contracts annually to HUBZone-certified firms.

For HUBZone purposes, most Indian reservations are considered to be HUBZones and this designation does not expire. The HUBZones in Native America Act of 2000 significantly modified the HUBZones and broadened the eligibility criteria for participation by the Native American small business community. The law changed the ownership and control requirements of the program for Native American small business by extending eligibility to:

- Small Businesses wholly or partly owned by one or more Indian tribal governments, or by corporations wholly or partly owned by one or more tribal governments ;
- Small Businesses owned and controlled by Alaska Native Corporations (ANCs) that are owned and controlled by Natives; and
- Small Businesses that are direct or indirect subsidiary corporations, joint ventures or partnerships of ANCs that are owned or controlled by Native Americans.

It also provided options to tribally-owned concerns. A business that is owned by a tribe can choose to meet the principal office and 35% employee HUBZone residency requirements at the time of application (like all other types of businesses). Or, at the time of application, it can elect to:

Certify that when performing a HUBZone contract, at least 35% of its employees engaged in performing that contract will reside within any Indian reservation governed by one or more of the Indian Tribal Government owners, or reside within any HUBZone adjoining such Indian reservation; and that it will “attempt to maintain” that applicable employment percentage stated above during the performance of any HUBZone contract it receives. See 13 CFR 126.200 (a) (3)

For all other firms, the HUBZone Regulations require that 35 percent of the firm’s employees reside in HUBZones, regardless of contracting activity.

Collectively, these changes in the HUBZone Program present significant opportunity for inclusion of Native American firms in the federal procurement process and the creation of service and manufacturing jobs on Native American lands.

Exploring International Trade

Ninety-six percent of the world’s customers reside outside of the United States and most U.S. companies never consider entering foreign markets. Although ninety-seven percent of all exporters are small businesses, many of which think that they are too small to compete in the world market. The SBA can help you get started and succeed in the global market through its trade education programs and international loan guarantees.

www.sba.gov/category/navigation-structure/starting-managing-business/managing-business/exporting-importing

What is the first step to exporting?

The first step is to develop a realistic export marketing plan. The SBA publication, “Take Your Business Global—A Guide to Exporting,” provides businesses with a step-by-step approach to developing an export-marketing plan. It is available online at www.sba.gov/international. The SBA also offers free online export training. Go to www.sba.gov/training and click on business management.



What financing is available for exporting?

The SBA export loan guarantee programs offer assistance, through participating lenders, to existing and potential exporters. The guarantee provides lenders with a credit enhancement to make loans on terms and conditions that would otherwise be unavailable to small businesses.

What is the Export Working Capital Program?

This program is designed to meet the short-term working capital needs of small exporters. The SBA provides up to 90 percent of the guarantee with a maximum loan amount of \$5 million. The guaranty fee on loans of 12 months or less is only $\frac{1}{4}$ of 1 percent. Loan funds may be used for working capital to support direct or indirect export sales or to provide foreign receivable financing.

The Export Express Program. This streamlined program guarantees loans up to \$500,000. Funds may be used for any purpose that will increase a company's ability to export.

Where Can I Go for More Help? United States Export Assistance Centers are located nationwide, and provide one-stop trade promotion, financing and export insurance program information to small businesses. The SBA, the U.S. Export-Import Bank, and the U.S. Department of Commerce's U.S. Commercial Service, all work together to support small businesses interested in exporting. To locate the SBA senior trade promotion and finance specialist nearest you, go to www.sba.gov/international.

To watch a video interview with an SBA trade specialist and hear from small business owners who are successfully expanding their businesses through exporting, go to www.sba.gov/strategiesforgrowth.

Your Voice in Government

The SBA Office of Advocacy is an independent voice inside the federal government that works to ensure that rules and regulations do not unfairly affect the small business community. Advocacy advances the views and concerns of small business before Congress, the White House, Federal agencies, Federal courts, and state policy makers. The office also provides research examining the role of small business in the economy and the impact of government regulation. www.sba.gov/advocacy

Additional Federal Government Resources

- **U.S. Census Bureau**
www.census.gov
- **Economic Development Administration**
www.eda.gov
- **Minority Business Development Agency**
www.mbd.gov
- **Office of Indian Energy & Economic Development**
www.bia.gov/WhoWeAre/AS-IA/IEED/index.htm
- **U.S. Department of Agriculture Rural Development**
www.rurdev.usda.gov/Home.html

Additional Native American Resources

- **National Congress of American Indians**
www.ncai.org
- **Native American Finance Officers Association**
www.nafoa.org
- **National Center for American Indian Enterprise Development**
www.ncaied.org
- **United Indian Development Association**
www.uida.org
- **Native American Contractors Association**
www.nativecontractors.org
- **National 8(a) Association**
[www.8\(a\)association.org](http://www.8(a)association.org)