



News Release

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Contact: Sean Rushton (202) 205-6882

Internet Address: <http://www.sba.gov/news>

Q&A ON WOMEN-OWNED SMALL BUSINESS FEDERAL CONTRACT ASSISTANCE PROGRAM

Q. What is taking the SBA so long to implement this program?

A. Recent Supreme Court decisions require legislative findings to justify a gender-based preferential program such as the Women-Owned Small Business (WOSB) Contracting Program. Congress, for the first time, delegated this complex and controversial responsibility to SBA. The agency completed its initial study in 2001. This study was rejected as inadequate by an independent peer review group at the National Academies of Sciences. SBA contracted with the Rand Corporation, which specializes in government studies, to perform a new analysis. In addition, SBA is moving quickly to publish a final rule implementing the set-aside program by late 2007.

Q. What is different from implementing this program versus the 8(a) Program?

A. The 8(a) Program had extensive legislative findings that allowed the legislation to withstand legal scrutiny. Unfortunately, the women's procurement program did not include any legislative findings, leaving SBA with the burden of providing findings, and constitutional justification for the program.

Q. Will the RAND study be completed and released to the public?

A. The RAND study will be made public. It is in the final stages of clearance and SBA is working with RAND to get it completed and published.

Q. What resources are available to help women-owned businesses seek contracts at federal agencies?

A. Resources for women-owned businesses include Small Business Development Centers (SBDC), Women's Business Centers (WBC), SCORE, Procurement Technical Access Centers (PTAC), and the Office of Small Disadvantaged Business Utilization (OSBDU) centers. PTACs are under the purview of the Department of Defense, while all agencies have OSBDUs.

Within the Office of Small Disadvantaged Business Utilization at the major procuring agencies, there are often women's business advocates.

Q. By delaying implementation of the women's contracting program, has the SBA cost WOSBs contracting dollars?

A. First, the 8(a) program, which offers more benefits, has many female participants. Second, the question ignores the downsides. If SBA had rushed to implement the program without taking proper care to ensure its ability to withstand legal scrutiny, it would inevitably face lawsuits that could freeze the program. It would put both women business owners and SBA in a more difficult situation.

SBA is committed to increasing the number of contracts being made to WOSBs and as noted below* has made significant progress in recent years. The agency is proud of its record and will continue to provide women with the assistance they need to make their businesses successful.

***WOSB Statistics:**

Prime contract dollars going to WOSBs increased from \$4.6 billion in FY 2000 to \$10.5 billion in FY 2005. Subcontracting dollars increased from \$3.6 billion in FY 2000 to over \$6 billion in FY 2003 (latest validated data available).

Q. What can the public do to have input on the implementation of this program?

A. SBA did receive over 100 comments from the public, including women small business owners, during the proposed regulation process. The proposed regulations were posted for the statutory 30 days.

Q. How many women-owned small businesses are in the 8(a) and HUBZone Programs?

A. 8(a) Program (as of 3/14/07):

- 9,912 firms in the 8(a) Program
- 3,309 or 33.3 percent are women

HUBZone Program (as of 3/14/07):

- 13,497 firms in the HUBZone Program
- 4,112 or 30.5 percent are women

Q. When will the program be implemented?

A. It is our goal that the program be implemented by late 2007.

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