

## Federal SBA Definitions

The Federal Government, through Section 129 of Public Law 100-590, Small Business Administration (SBA) Reauthorization Act of 1988, has provided the following guidelines for certification of small businesses, which will facilitate participation in federal programs and bidding for government-funded contracts.

- **Small Business:** a business concern that is organized for profit, fewer than 500 employees, including affiliates, is independently owned and operated, is not dominant in the field of operation, and meets size standards as prescribed by SBA (13 CFR Part 121).
- **Sole Proprietors:** a sole proprietorship means "one owner". The owner assumes all responsibilities for the business, including assets and liabilities. Business income is taxed as personal income. Most small businesses operate as sole proprietorships, this being the simplest form of organization and allowing the single owner to have sole control and responsibility.
- **Woman-Owned Business:** a business that is (1) at least 51 percent owned by a woman or women, or, in the case of publicly owned business at least 51 percent of the stock is owned by one or more women; and (2) whose daily business operations are managed and directed by one or more of the women owners. "Operate" means actively involved in the day to day management.
- **Minority-Owned Business:** a business that is (1) at least 51 percent owned by one or more minority individuals, or, in the case of publicly owned business at least 51 percent of the stock is owned by one or more minority individuals; and (2) whose daily business operations are managed and directed by one or more minority owners. "Operate" means actively involved in the day to day management.
- **Minorities** include the groups with the following ethnic origins: African, Asian Pacific, Asian Subcontinent, Hispanic, Native Alaskan, Native American, and Native Hawaiian.
- **Disadvantaged Business:** a business that is (1) at least 51 percent owned by disadvantaged individuals, or, in the case of publicly owned business at least 51 percent of the stock is owned by one or more disadvantaged individuals; and (2) whose daily business operations are managed and directed by one or more disadvantaged owners. "Operate" means actively involved in the day to day management. Disadvantaged individuals include Black Americans, Hispanic Americans, Asian Americans, and other minorities, or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8 of the Small Business Reauthorization Act
- **HUBZone Business:** is a business concern that is small, located in a "historically underutilized business zone" (HUBZone), owned and controlled by one or more U.S. Citizens, and at least 35% of its employees reside in a HUBZone. For further information refer to <http://www.sba.gov/certifications>.
- **Labor Surplus Area:** means a geographical area identified by the Department of Labor in accordance with 20 CFR part 654, subpart A, as an area of concentrated unemployment or underemployment or an area of labor surplus.
- **Government:** A "government vendor" is a government entity (state, federal, or local) that wishes to register to provide services to the University of Georgia. The registrant should select this category only if they are themselves a governmental entity.