

110TH CONGRESS  
1ST SESSION

# H. R. 1611

To amend the Small Business Act to improve the 8(a) program.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. REYES introduced the following bill; which was referred to the Committee on Small Business

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## A BILL

To amend the Small Business Act to improve the 8(a) program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “8(a) Modernization  
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) when the 8(a) program was implemented in  
9 1968, the thresholds for noncompetitive contracts  
10 were \$3,000,000 and \$5,000,000 (for manufac-  
11 turing), and today those thresholds have risen to

1       only \$3,500,000 and \$5,500,000, respectively, a rate  
2       of growth far overtaken by inflation; and

3               (2) when the 8(a) program was implemented in  
4       1968, the net worth limit was \$250,000, and today  
5       that limit is exactly the same.

6 **SEC. 3. IMPROVEMENTS TO 8(a) PROGRAM.**

7       Section 8(a) of the Small Business Act (15 U.S.C.  
8       637(a)) is amended—

9               (1) in paragraph (1)(D)(i)(II)—

10                       (A) by striking “\$5,000,000” and inserting  
11                       “\$12,000,000”; and

12                       (B) by striking “\$3,000,000” and insert-  
13                       ing “\$10,000,000”; and

14               (2) in paragraph (6) by adding at the end the  
15       following:

16                       “(F) the Administrator shall establish, for  
17                       each industry classification, a maximum level of  
18                       net worth for an economically disadvantaged in-  
19                       dividual. In establishing such maximum levels,  
20                       the Administrator shall take into consideration  
21                       the capital needs of each industry. The Admin-  
22                       istrator shall not establish a maximum net  
23                       worth that prohibits program entry of less than  
24                       \$750,000.”.

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