19.805-1 General.

(a) Except as provided in paragraph (b) of this section, an *acquisition* offered to the SBA under the 8(a) program *shall* be awarded on the basis of competition limited to eligible 8(a) participants when-

(1) There is a reasonable expectation that at least two eligible and responsible 8(a) participants will submit *offers* and that award can be made at a *fair market price*; and

(2) The anticipated total value of the contract, including *options*, will exceed $8.5 million for *acquisitions* assigned manufacturing North American *Industry* Classification System (NAICS) codes and $5.5 million for all other *acquisitions*.

(b) Where an *acquisition* exceeds the competitive threshold (see paragraph (a)(2) of this section), the SBA *may* accept the requirement for a sole source 8(a) award if-

(1) There is not a reasonable expectation that at least two eligible and responsible 8(a) participants will submit *offers* at a *fair market price*; or

(2) SBA accepts the requirement on behalf of a *concern* owned by an Indian tribe or an Alaska Native Corporation.

(c) A proposed 8(a) requirement with an estimated value exceeding the applicable competitive threshold amount *shall* not be divided into several requirements for lesser amounts in order to use 8(a) sole source procedures for award to a single firm.

(d) The SBA Associate Administrator for Business Development *may* approve a *contracting office*'s request for a competitive 8(a) award below the competitive thresholds. Such requests will be approved only on a limited basis and will be primarily granted where technical competitions are appropriate or where a large number of responsible 8(a) participants are available for competition. In determining whether a request to compete below the threshold will be approved, the SBA Associate Administrator for Business Development will, in part, consider the extent to which the *contracting activity* is supporting the 8(a) program on a noncompetitive basis. The agency *may* include recommendations for competition below the threshold in the offering letter or by separate correspondence to the SBA Associate Administrator for Business Development.

Parent topic: 19.805 Competitive 8(a).