

Small Business (SB) and Small Business for the Purpose of Public Works (SB-PW) Certification Eligibility Requirements

To be eligible for the Small Business (SB) certification or the Small Business for the Purpose of Public Works (SB-PW) certification, the business must meet these initial following requirements:

- ✓ Be independently owned and operated
- ✓ Not dominant in field of operation
- ✓ Principal office located in California
- ✓ Owners, Officers, Members/Managers, and/or Partners must be domiciled in California

The business must also meet these following requirements depending on the certification they apply for:

Eligibility Criteria	SB	SB-PW
Maximum employee count (including affiliates)	100	200
Average Gross Annual Receipts (GARs) cap over the last three tax years (including affiliates)	\$18 million (does not apply to manufacturers)*	\$43 million

Microbusiness Designation (MB)

A certified Small Business (SB) will automatically be designated as a Microbusiness (MB) if their average Gross Annual Receipts (GARs) are \$6 million or less; or the small business is a manufacturer with 25 or fewer employees.

* A manufacturer is a business that is

- 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products and
- 2) Classified between Codes 31 to 339999, inclusive, of the North American Industrial Classification System (NAICS) Manual, published by the United States Census Bureau, 2007 edition.

What contracts can you use your certification(s) for?

The SB certification can be used and counted on all types of contracts including public works contracts/projects.

The SB-PW certification can only be used and counted on public works-related contracts/projects.

