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Akin Amends Small Business Contracting Improvement Act

Amendment seeks to ensure assistance goes to disadvantaged entrepreneurs

Washington, DC – The House of Representatives approved an amendment by Congressman Todd Akin (R-MO), instructing the Small Business Administration to take steps to ensure that contracting assistance meant for economically disadvantaged entrepreneurs is not diverted to wealthy applicants.

The proposed legislation would require that the 8(a) contract assistance be given to individuals with a net worth less than $550,000 without consideration of equity in the owner's primary residence and their business.

"It is not appropriate to consider a person economically disadvantaged if they have a great deal of equity in a large home or business," said Akin, a member of the Small Business Committee. "The 8(a) program is designated for disadvantaged businesses and contract assistance should go primarily to those truly in need. As businesses become increasingly successful, their access to the benefits of the 8(a) program should be reduced based on a sliding scale."