

200 KAR 5:076. Small and small minority business set asides.

RELATES TO: KRS 45A.675, 45A.680, 13 C.F.R. 121.201

STATUTORY AUTHORITY: KRS 45A.665, 45A.670

NECESSITY, FUNCTION, AND CONFORMITY: KRS 45A.665(4) requires the Finance and Administration Cabinet to define "small or small minority business". KRS 45A.670 authorizes the Finance and Administration Cabinet to promulgate administrative regulations defining standards regarding the classifications and definitions for small and small minority business as they relate to KRS 45A.665 to 45A.685. This administrative regulation establishes standards for small and small minority business set asides in contracts issued by the Commonwealth of Kentucky.

Section 1. Definitions.

(1) "Small business" means a business, including its affiliates, which:

- (a) Is independently owned and operated;
- (b) Is not dominant in the field of operation in which it is bidding; and
- (c) Meets the size standards of 13 C.F.R. 121.201.

(2) "Small minority business" means a business, which, in addition to meeting the definition of a small business under subsection (1) of this section, is owned and operated by fifty-one (51) percent or more females or persons of African American, Hispanic, Asian, Pacific Islander, American Indian, or Alaskan native heritage.

Section 2. Capital Construction Projects. Highly technical and single source projects shall be exempt from the small business and small minority business set aside designation. Single or limited trade projects estimated to cost \$10,000 or less, and multitrade projects estimated to cost \$25,000 or less, may be designated as small business and small minority business set asides.

Section 3. Certification. A bidder submitting a bid in response to a solicitation designated as a small business or small minority business set aside shall certify as a part of the bid, that the bidding firm is a small business or small minority business as defined in Section 1 of this administrative regulation. The bidder shall supply any information requested by the purchasing agency for the purpose of verifying the bidder's eligibility for the set aside designation.

(18 Ky.R. 1724; eff. 1-10-92; 30 Ky.R. 667; 1459; eff. 1-5-2004; Crt eff. 2-10-2020.)